

1                   IN THE UNITED STATES DISTRICT COURT  
2                   FOR THE NORTHERN DISTRICT OF OHIO  
3                   EASTERN DIVISION  
4   IN RE NATIONAL PRESCRIPTION           |   MDL No. 2804  
5   OPIATE LITIGATION                   |  
6   This Document Relates to:           |   Case No. 17-MD-2804  
7   The County of Summit, Ohio,       |   Hon. Dan A. Polster  
8   et al., v.                           |  
9   Purdue Pharma L.P., et al.       |  
10   Case No. 17-op-45004               |  
11   The County of Cuyahoga v.       |  
12   Purdue Pharma L.P., et al.       |  
13   Case No. 18-op-45090               |  
14   City of Cleveland, Ohio v.       |  
15   Purdue Pharma L.P., et al.       |  
16   Case No. 18-op-45132               |

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18                   THURSDAY, JANUARY 24, 2019  
19  
20                   - - -  
21  
22                   HIGHLY CONFIDENTIAL - SUBJECT TO FURTHER  
23                   CONFIDENTIALITY REVIEW  
24                   - - -

25                   Videotaped deposition of PATRICK COCHRANE,  
26   held at Foley & Lardner LLP, One Biscayne Tower,  
27   2 Biscayne Boulevard, Suite 1900, Miami, Florida,  
28   commencing at 9:13 a.m., on the above date,  
29   before Kelly J. Lawton, Registered Professional  
30   Reporter, Licensed Court Reporter, Certified  
31   Court Reporter.

32                   - - -  
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THE VIDEOGRAPHER: We are now on the record.

3

My name is Anthony Barbaro. I'm a videographer

4

for Golkow Litigation Services. Today's date is

5

January 24th, 2019, and the time is 9:13 a.m.

6

This video deposition is being held at

7

2 South Biscayne Boulevard, Suite 1900, Miami,

8

Florida 33131, in Re: National Prescription

9

Opioid Litigation for the United States District

10

Court, Northern District of Ohio, Eastern

11

Division. The deponent is Patrick Cochrane.

12

And, counsel, would you please identify

13

yourselves.

14

MR. NOVAK: Paul Novak and Michael Piggins,

15

both of Weitz & Luxenberg, on behalf of the

16

plaintiffs.

17

MR. MATTHEWS: James Matthews for the

18

defendant Anda.

19

MR. WELCH: Graham Welch for the defendant

20

Anda.

21

MR. PUIG: Eliseo Puig, Arnold & Porter, for

22

the Endo & Par entities.

23

MS. CARDENAS: Cristina Cardenas for

24

AmerisourceBergen.

1 THE VIDEOGRAPHER: Counsel on the phone,  
2 please identify.

3 MR. SHULTZ: James Shultz at Tucker Ellis for  
4 Johnson & Johnson.

5 MR. ROBERTS: Ryan Roberts of Covington &  
6 Burling on behalf of McKesson.

7 MR. HUNTER: Tucker Hunter from Kirkland &  
8 Ellis on behalf of Allergan Finance, LLC.

9 MS. ZIELINSKI: Paige Zielinski from Jones  
10 Day on behalf of Walmart.

11 THE VIDEOGRAPHER: The court reporter is  
12 Kelly Lawton, and she will now swear in the  
13 witness.

14 THE COURT REPORTER: Sir, would you please  
15 raise your right hand.

16 Do you swear or affirm the testimony you're  
17 about to give will be the truth, the whole truth,  
18 and nothing but the truth?

19 THE WITNESS: I do.

20 THE COURT REPORTER: Thank you.

21 PATRICK COCHRANE, called as a witness by the  
22 Plaintiffs, having been first duly sworn, testified  
23 as follows:

24 ///

1 DIRECT EXAMINATION

2 BY MR. NOVAK:



7 Q. Okay. Can you briefly describe for me --

8 well, let's start with your present position at Anda.

9 A. My present position at Anda is vice president  
10 of operations and logistics.

11 Q. And can you provide to me a listing of your  
12 responsibilities as vice president --

13 A. Sure.

14 Q. -- of operations and logistics?

15 A. So the main responsibilities are distribution  
16 and compliance. I also lead the customer service  
17 group, the project management office, and I serve as  
18 a liaison for our parent company's activities related  
19 to security and facilities management.

20 Q. Okay. I'd like to start with your initial  
21 employment at Anda and work forward.

22 MR. MATTHEWS: Can I just interrupt and  
23 object. Can we get on the record that today is  
24 the 30(b)(6) deposition of Anda, not the personal

1 deposition of Mr. Cochrane so it's clear.

2 MR. NOVAK: Yes. And that's fine.

3 We have marked for identification Deposition

4 Exhibit 1, which is the Notice of Videotaped

5 30(b)(6) Deposition of Anda.

6 (Anda Exhibit 1 was marked for

7 identification.)

8 BY MR. NOVAK:

9 Q. Mr. Cochrane, have you seen the notice of  
10 videotaped deposition prior to today?

11 A. No.

12 Q. Okay. You understand that there are certain  
13 topics that have been designated for which you have  
14 been designated by the company to appear and provide  
15 testimony?

16 A. Yes.

17 Q. And that you're providing that testimony on  
18 behalf of Anda?

19 A. Yes.

20 Q. Okay.

21 A. Quick clarification.

22 I had not seen these first two pages. This  
23 first notice, I had seen; and this second notice  
24 piece, I had seen.

1 Q. Okay. What did you do for purposes of  
2 preparing to testify today?

3 A. We reviewed two to three dozen documents in  
4 addition to discussions about my 24-year career at  
5 Anda.

6 Q. When you say -- when you say that "we"  
7 reviewed, who was the "we" to whom you were  
8 referring?

9 A. James Graham.

10 Q. Have you had, for purposes of preparing to  
11 testify today, discussions with other Anda employees?

12 A. No.

13 Q. Okay. In addition to the two to three dozen  
14 documents that you have identified, have you accessed  
15 any of the company's computer systems or files?

16 A. Sure.

17 Q. And -- and which of those systems did you  
18 access for purposes of preparation for the  
19 deposition?

20 A. E-mail and Anda's system of record, which is  
21 TPS.

22 Q. Okay. As to the e-mail that you are  
23 referencing, that's in addition to the two to three  
24 dozen documents that you reviewed?

1 A. No. Inclusive.

2 Q. Okay. Is that e-mail, to your knowledge,  
3 that has been produced in the litigation?

4 A. Yes.

5 Q. Okay. As to the TPS system, what is it that  
6 you reviewed on the TPS -- well, we'll start with a  
7 more fundamental question.

8 Can you provide for the record an explanation  
9 of what the TPS system at Anda is?

10 A. TPS is our warehouse management call,  
11 resource management, order entry system, purchasing  
12 system. It's the backbone of our company.

13 Q. Okay. And what types of information are  
14 maintained in Anda's TPS system?

15 A. Inventory, sales, all transactions.

16 Q. Okay. Is there compliance information that  
17 is also maintained within that system?

18 A. Yes, there is.

19 Q. Okay. What was it within the TPS system that  
20 you reviewed for purposes of preparing for today's  
21 deposition?

22 A. Customer transaction history.

23 Q. Can you describe for me within the TPS system  
24 what customer transaction history is?



1           A.     What transaction history is?

2           Q.     Yes.

3           A.     Orders, line items, items, quantities, DEA  
4     numbers, registration numbers, customer name,  
5     address.

6           Q.     Are limits that are placed upon a customer's  
7     ability to order controlled substances also  
8     maintained in the TPS system?

9           A.     Yes, they are.

10          Q.     And is that part of what you reviewed for  
11     purposes of preparing for today's deposition?

12          A.     No, it's not.

13          Q.     Okay. Are histories with respect to  
14     modification of control limits contained within the  
15     TPS system?

16                 MR. MATTHEWS: Objection.

17                 THE WITNESS: No.

18     BY MR. NOVAK:

19          Q.     Okay. Now, just to get a context, can you  
20     provide a description of the different positions that  
21     you have held with Anda over the time that you have  
22     been employed with the company?

23          A.     Sure. Start at the beginning or the end?

24          Q.     The beginning.

1           A.     1995, I was hired as a warehouse operator.  
2     Late '95 or early '96, I was promoted to a warehouse  
3     lead person. In '98 or '99, I was moved to oversee  
4     the commercial distribution of Andrx Pharmaceuticals  
5     manufactured product in addition to holding onto some  
6     responsibilities related to the native Anda product.

7                 In 1999, I was promoted to shipping --  
8     operating system analyst/shipping supervisor. In the  
9     2000 time frame, I was promoted to manager --  
10    operations manager. Later in 2000, distribution  
11    center manager.

12                In 2001 or early 2002, we began a project  
13    related to opening a second distribution center in  
14    Groveport, Ohio, in which I participated on that.  
15    And after that facility opened, I was promoted to  
16    national distribution manager where now both DCs  
17    reported to me.

18                After that, there was an inline promotion to  
19    director of logistics. I held that position until  
20    late 2005. In late 2005, I was promoted to vice  
21    president of operations.

22           Q.     The 2005 promotion to vice president of  
23    operations, is that essentially the same position  
24    that you have held ever since?

1           A.     Yes.  There have been additional  
2     responsibilities flexed in and flexed out, but the  
3     core of that position has been the distribution  
4     activities of our facilities.

5           Q.     Okay.  Do you have an understanding as to  
6     what the term "suspicious order" means?

7           A.     Yes, I do.

8           Q.     What is your understanding of that term?

9           A.     A suspicious order is something that deviates  
10    from what the norm is.

11          Q.     Now, I asked you whether you had an  
12    understanding.

13                 For purposes of company operations, what  
14    is -- does Anda have a working understanding of what  
15    the term "suspicious order" is?

16          A.     Anda does.

17          Q.     Okay.  And what is that definition?

18          A.     On order that deviates from the norm.

19          Q.     Okay.  Does Anda, for purposes of its  
20    day-to-day working policies, also utilize a  
21    functional definition of the term "suspicious order  
22    monitoring system"?

23          A.     Yes.

24          Q.     And what is the definition that the company

1 uses for suspicious order monitoring system?

2 A. A suspicious ordering monitoring system  
3 relates to the entire program of work, policies,  
4 procedures, either system or manual, related to  
5 handling and distributing controlled substances.

6 Q. In that answer, you included the term "either  
7 system or manual."

8 What did you mean by that?

9 A. There are system procedures in place and  
10 system -- system work that is performed. And there's  
11 manual work, and there are manual procedures.

12 Q. In the context of Anda's implementation of  
13 suspicious order monitoring system work, can you give  
14 me an example of both the system procedure and the  
15 manual procedure?

16 A. Sure.

17 The system procedures would be around  
18 validating orders, around checking eligibility of a  
19 customer, upon checking eligibility of a limit,  
20 checking current access and purchases towards that  
21 limit.

22 The manual aspects of it would include all  
23 aspects of controlled substance handling from  
24 receiving to put-away to physical security to

1 physical inventories performed on said inventory to  
2 the pick, pack, and ship operations.

3 Q. I'd like to first focus on what you have  
4 identified as the manual procedures that Anda  
5 utilizes as part of its suspicious order monitoring  
6 system.

7 Can you describe for me the manner in which  
8 orders for controlled substances are received by  
9 Anda?

10 A. The manner in which they are received?

11 Q. Yes.

12 MR. MATTHEWS: Objection.

13 Is there a time period?

14 MR. NOVAK: I appreciate that, because --  
15 let's say 2006 to now. And to the extent that  
16 the answer differs over that part -- that time  
17 period, we can talk about those differences.

18 THE WITNESS: Orders can be received by Anda  
19 via telephone, via Internet, via EDI, via paper  
20 222 Form.

21 BY MR. NOVAK:

22 Q. Are all of those ways in which the company  
23 received orders for controlled substances?

24 A. Yes.

1 Q. Have there been differences between 2006 and  
2 the present in the manner in which those orders are  
3 recorded by Anda?

4 A. No.

5 Q. At some point between 2006 and the present,  
6 did Anda implement a CSOS system?

7 A. 2005.

8 Q. Oh, okay.

9 Let me go through some of those different  
10 types of -- of receiving an order.

11 A. Sure.

12 Q. When orders are received for controlled  
13 substances by telephone, who is it within Anda that  
14 receives them?

15 A. It's either a sales rep or a sales admin.

16 Q. And what is it that the sales representative  
17 or the sales admin does upon receiving an order for a  
18 controlled substance?

19 A. They key it into TPS.

20 Q. Can you describe for me the process of keying  
21 an order into TPS between 2006 and the present?

22 A. A customer record is accessed. There's a  
23 number of customer attributes on the screen,  
24 including the address and where the customer is

1 shipping from, which warehouse, which distribution  
2 center at Anda it's shipping from, the carrier  
3 method, whether it's FedEx Air or second day or  
4 ground, et cetera, is on that first screen.

5 The second order entry screen allows the  
6 individual to key in an item number and a quantity or  
7 search or a description of a product and enter a --  
8 select a line item and a quantity. If the product is  
9 a CII, it will not let the rep proceed. If the  
10 products are CIII through V or noncontrolled or  
11 nonRX, it will allow the sales reps to key and accept  
12 that order.

13 Q. Now, you indicated in -- well, let me start  
14 with a different question.

15 I think you described two different screens  
16 within the Turning Point System that Anda maintains  
17 in that answer.

18 Can you describe for me what is the first  
19 screen?

20 A. The first screen is the one that I described  
21 a couple seconds ago related to the address  
22 information and the customer routing information, the  
23 carrier method, the shipping warehouse.

24 Q. Is the customer's eligibility to purchase

1 controlled substances contained on that first screen?

2 A. No, it is not.

3 Q. Any other information with respect to the  
4 customer contained on the first screen?

5 A. Those are the highlights. I'm not aware of  
6 anything else.

7 Q. And then the second screen that you  
8 described -- first of all, how would an individual  
9 receiving a controlled substance order get from the  
10 first screen to the second screen?

11 A. Pressing enter.

12 Q. Okay. And then describe for me what is  
13 contained on the second screen.

14 A. The second screen has order header  
15 information related to that customer on the top of  
16 the screen. The middle of the screen, when you first  
17 enter, it will be largely blank. The bottom of the  
18 screen has fields that you are able to search upon:  
19 item number, description.

20 Q. Okay. What information is contained on the  
21 header in that second screen of the TPS system?

22 A. The customer number, the customer name, maybe  
23 the city and state.

24 Q. Is the DEA number assigned to the customer



1       also contained there?

2           A.    I don't believe so.  I'm not familiar with it  
3       on that level of detail.

4           Q.    Okay.  Now, you indicated that a sales  
5       representative would not be able to input an order  
6       for a control -- a Schedule II controlled  
7       substance --

8           A.    That's correct.

9           Q.    -- into the TPS system.

10          A.    That's correct.

11          Q.    Has that been the case from 2006 to the  
12       present?

13          A.    Yes.

14          Q.    In what manner is an order for a Schedule II  
15       controlled substance input into TPS?

16          A.    There's two ways.  There's one way in TPS  
17       that is for a manual 222 Form.  There is a select  
18       group of sales administrators that have access to key  
19       those CII orders in.  The first screen that I  
20       described earlier of the order entry requires the  
21       222 Form Number to be input within -- within that  
22       order header before it allows you to proceed.

23                The other method of taking CII orders  
24       unrelated to TPS order entry is CSOS via the web.

1 Q. Okay. Sticking with TPS for the moment --

2 A. Sure.

3 Q. -- you said that it's a select group of sales  
4 administrators?

5 A. That's correct.

6 Q. Under what group within Anda are those sales  
7 administrators housed?

8 A. Which group?

9 Q. Yes. Which division of the company?

10 A. The pharmacy has, I believe, two, and the  
11 national accounts group has at least one.

12 Q. Do you know who today is the sales  
13 administrator with authority to enter a control -- a  
14 Schedule II controlled substance order into the TPS  
15 system?

16 A. I know of one.

17 Q. And who is that?

18 A. Ms. Gina Quayto.

19 Q. Over the years, who else had the  
20 authorization to submit controls -- controlled  
21 substance Schedule II orders into TPS?

22 A. Her -- her predecessors. Other people that  
23 held that same possession.

24 Q. And who was Ms. Quayto's predecessor?

1           A.     There was Rosalie Rudees, R-u-d-e-e-s.  There  
2     was another woman named Jeanette.  Her last name  
3     escapes me.

4           Q.     Okay.  How does the information get --  
5     when -- when a -- I'll start with a new question.

6                     When a controlled substance -- a Schedule II  
7     controlled substance is ordered telephonically --

8           A.     They are not ordered telephonically.

9           Q.     Okay.  So that is not an available method  
10    of --

11          A.     No, sir.

12          Q.     -- entering an order for a controlled -- a  
13     Schedule II controlled substance?

14          A.     No, it is not.

15          Q.     Okay.  When we talked about different methods  
16     of ordering, I think you identified a paper  
17     222 Form --

18          A.     That is correct.

19          Q.     -- that is available for a Schedule II  
20     controlled substance.

21          A.     That's correct.

22          Q.     Via the Internet?

23          A.     A paper form?  No.  A paper form comes in  
24     either via mail or FedEx.

1 Q. No. But another method --

2 A. Oh. Another method.

3 Q. -- that you identified of submitting an order  
4 was via the Internet?

5 A. Sure.

6 Q. And is that a method that is accessible if a  
7 customer were to enter a -- an order for a  
8 Schedule II controlled substance?

9 A. Yes, via CSOS.

10 Q. Okay. Now, other than the paper 222 Form and  
11 via the Internet through CSOS, are there other  
12 methods of entering a -- an order for a Schedule II  
13 controlled substance that are available to Anda  
14 customers?

15 A. No, there is not.

16 Q. Okay. And for orders of controlled  
17 substances that are Schedule III or lower, may they  
18 also enter those orders telephonically?

19 A. IIIs, IVs, and Vs can be ordered  
20 telephonically. IIIs, IVs, and Vs can be ordered via  
21 the Internet.

22 Q. So let's stick with Schedule II controlled  
23 substances for the moment.

24 How are the CSOS orders that are submitted by

1        Anda customers placed into TPS?

2            A.     It's an electronic transfer from the CSOS  
3        application into the TPS order entry.

4            Q.     Okay. And the paper 222 Forms that you  
5        referenced a moment ago would have to be manually  
6        input into the TPS system?

7            A.     After a series of checks by the distribution  
8        center employees that received those forms.

9            Q.     Okay. Can you describe for me what those  
10       systems of checks or series of checks from the  
11       distribution center employees are?

12           A.     On the paper 222 Forms, there is the initial  
13       screening and validation that is an authentic order.  
14       There are a series of fields that need to be  
15       completed a certain way in order to accept that  
16       order.

17                    For instance, the line items need to be  
18       clear. The quantities need to be clear. The  
19       descriptions need to be clear. The NDC is optional,  
20       but if it is written in by the customer, it needs to  
21       be clear and legible.

22                    The last line completed on the form needs to  
23       be accurate. So the order form allows up to ten line  
24       items to be ordered. If the customer fills out three

1 line items, they must indicate that they only ordered  
2 three line items in a specific box.

3 The form must be dated. The supplier must be  
4 written in by the -- by the customer.

5 Q. When you say "the supplier," are you  
6 referring to Anda?

7 A. Correct.

8 Q. Okay. In the paper 222 Forms that you are  
9 describing, is a specific manufacturer identified for  
10 the controlled substance that's being ordered?

11 A. No. There's no field for manufacturer.  
12 There is a field for description, and then there is  
13 optional fields of NDC. If a specific NDC is written  
14 into that line item, we will attempt to fill that  
15 specific NDC.

16 Q. Okay. And the NDC will relate to a specific  
17 manufacturer?

18 A. That's correct.

19 Q. Okay. Now, all of this information is placed  
20 for paper 222 Forms into the TPS system by an actual  
21 human being.

22 MR. MATTHEWS: Objection.

23 BY MR. NOVAK:

24 Q. Correct?

1 MR. MATTHEWS: Objection.

2 THE WITNESS: Which information?

3 BY MR. NOVAK:

4 Q. The different information that -- that you  
5 described in your last answer: the initial  
6 authenticity screen, the series of fields that need  
7 to be entered --

8 A. None of that goes into TPS.

9 Q. Oh, I'm sorry. I --

10 A. The items and quantities go -- and the form  
11 number would go into TPS.

12 Q. Okay. When you were describing these various  
13 fields, were those simply fields that are contained  
14 on the 222 Form itself?

15 A. That's correct.

16 Q. Okay. How is it that the paper 222 Form is  
17 received by someone at Anda and input into the TPS  
18 system?

19 A. They normally are received via FedEx or the  
20 U.S. Mail.

21 Q. And who -- and who is it at Anda that  
22 actually does the entry of those orders into the TPS  
23 system?

24 A. The sales admins that I described earlier.

1 Q. Okay. And those are the -- the  
2 administrators designated either in pharmacy or in  
3 the national accounts group?

4 A. Correct.

5 Q. Okay. Any other individuals that have the  
6 authority to submit a paper 222 Form into the TPS  
7 system at Anda?

8 A. No.

9 MR. MATTHEWS: Objection.

10 Just remind you to give me a moment to object  
11 before you answer.

12 BY MR. NOVAK:

13 Q. We've talked about the manual processes for  
14 receiving and entering orders as it relates to  
15 222 Forms.

16 Can you describe for me how CSOS orders  
17 for --

18 A. We haven't described all of the process.

19 Q. Oh, okay. Can you continue?

20 What else does a -- an administrator, in,  
21 say, the national accounts group do --

22 A. There are steps before the administrator that  
23 are still happening in the warehouse.

24 Q. Okay.



1           A.     The form is received at the warehouse. The  
2     DEA employees, the cage employees or vault employees  
3     are the ones fielding those and doing that initial  
4     screen on those orders. So they are verifying the  
5     actual physical 222 Form.

6                     If it passes all of those checks we described  
7     earlier, they can then go through a series of checks  
8     to check to make sure that the license is available  
9     and accurate and they can check that the address on  
10    the form matches the address on the shipping record  
11    that we have in TPS.

12           Q.     Is there anything else done for purposes of  
13    handling the 222 Forms at the warehouse --

14           A.     At that point --

15           Q.     -- stage?

16           A.     At that point, once those checks are also  
17    validated and the addresses match and the form is  
18    authentic, the warehouse people can then look up and  
19    cross-reference what is actually being ordered by the  
20    customer, whether just based on a description or  
21    based on an NDC or both. They can then write up what  
22    is going to be keyed against that order.

23           Q.     When you say "write up what is going to be  
24    keyed against that order," what do you mean?

1           A.     There is an order load form that the  
2     warehouse personnel fill out that gets attached to  
3     that 222 Form.  It's basically an instruction of what  
4     the admin is going to key in.

5           Q.     Are there any specific tasks as part of the  
6     order entry process at the warehouse --

7           A.     There's no entry.  They're writing it up on a  
8     sheet.

9           Q.     Okay.  A sheet that is separate from the  
10    222 Form?

11          A.     That's correct.

12          Q.     Okay.  And that sheet will indicate whether  
13    the customer has a valid DEA license number?

14          A.     It does not.

15          Q.     Okay.

16          A.     The form comes in.  The 222 Form is a DEA  
17    form.  It's not an Anda form.  It's not a customer  
18    form.  It doesn't have Anda's customer record number  
19    on it.

20                 So one of the -- those checks that they are  
21    doing is validating that we actually have that  
22    customer set up.  And we check his license expiration  
23    date and his license is valid and his address  
24    information.

1           The customer number is then attached to this  
2   load sheet, and then the quantities and item numbers  
3   in which they ordered are then also attached to that  
4   load sheet.

5           Q.    Okay.  So there are a initial set of steps to  
6   verify -- that are performed at the warehouse to --  
7   to verify that this is a -- an existing customer of  
8   Anda?

9           A.    Correct.

10          Q.    And once that is verified and the DEA  
11   registration number is verified to match that of the  
12   customer, the warehouse employees take the next step  
13   of beginning to enter information into a load sheet?

14          A.    Write up the information on a load sheet.

15          Q.    Okay.  This is still a paper process?

16          A.    Yes, it is.

17          Q.    Okay.  And the information that the warehouse  
18   employee at Anda will write into the load sheet is  
19   what?

20          A.    Customer number, the quantities, and the Anda  
21   item numbers associated with the items that were  
22   ordered on the paper 222.

23          Q.    Okay.  Once the warehouse employee at Anda  
24   completes the initial steps that we've discussed as

1 it relates to the paper Form 222 and enters the --

2 I'm sorry -- writes the information on a load sheet,  
3 what else does the warehouse employee at Anda do for  
4 purposes of submitting a paper 222 order?

5 A. They make a copy of that load sheet with the  
6 222 Form visible on the front of it. And they --  
7 there's -- I'm unsure if they e-mail it to the  
8 administrator or they use a shared drive to transfer  
9 that data to the person who's going to key the order  
10 into TPS.

11 Q. Okay. So the --

12 A. The paper 222 Form stays within the  
13 warehouse.

14 Q. The completed 222 Form is then submitted to  
15 the national account --

16 A. The completed load sheet.

17 MR. MATTHEWS: Objection.

18 BY MR. NOVAK:

19 Q. The completed load sheet is then submitted to  
20 an administrator in national accounts?

21 A. One of the two sides. It's either the  
22 pharmacy side or --

23 Q. Or pharmacy.

24 Okay. Can you describe for me what the

1 individual, either at pharmacy or national accounts,  
2 does once they receive the load sheet that has been  
3 submitted by the warehouse?

4 A. They go into TPS, into the customer record  
5 that we described earlier, and they enter the  
6 quantities and the item numbers associated with the  
7 222 Form order.

8 Q. All right. At the point in time that the  
9 administrator enters that information into TPS, is  
10 an -- is an order number assigned to the order?

11 A. If the order is accepted, an order number  
12 would be assigned.

13 Q. Okay. And assuming that the order is  
14 accepted and an order number is assigned, what  
15 happens next for purposes of evaluating the order for  
16 a controlled substance?

17 MR. MATTHEWS: Objection.

18 THE WITNESS: The order would go through a --  
19 a series of system checks related to controlled  
20 substance usage and controlled substance orders  
21 previously against those products or those  
22 product families and that customer.

23 If all of those checks were passed, the order  
24 would move on to the next administrative holds,

1           which would be related to credit; could be  
2           related to weight or size of the order; related  
3           to the shipping method that was selected.

4                     If all of those are passed, it will be  
5           released to the distribution center and a pick  
6           ticket and ship label would print.

7   BY MR. NOVAK:

8           Q.    Okay.  I want to focus on the first half of  
9           your answer where you state the order would go  
10          through a series of system checks related to  
11          controlled substance usage and controlled substance  
12          orders previously against those products or those  
13          product families and that customer.

14                    Can you describe in greater detail what the  
15          system checks you referred to in that answer are?

16          A.    They're the same things that I described.  
17          It's looking at the product families.  It's looking  
18          at the customer history.  And if it deems something  
19          outside of the norm as we know it at that point, it  
20          could put the order on hold.

21          Q.    Okay.  In that answer, you said:  It's  
22          looking at the product families.  It's looking at the  
23          customer history.

24                    What is the "it" to which you are referring

1 in that answer?

2 A. TPS.

3 Q. Okay. So TPS has embedded within it an  
4 automated evaluation of factors such as the product  
5 family and the customer history?

6 A. Yes.

7 MR. MATTHEWS: Objection.

8 Time.

9 BY MR. NOVAK:

10 Q. And over -- and -- and --

11 MR. NOVAK: James, I appreciate you pointing  
12 this out from time to time. I -- I understand  
13 that the nature of those checks are going to vary  
14 at different points, and we'll try to do what  
15 they looked like in 2006 and then go forward.

16 BY MR. NOVAK:

17 Q. Can you describe for me in 2006 what the  
18 nature of the system checks that are embedded within  
19 TPS are as it relates to a controlled substance  
20 order?

21 A. There would be checks against the syntax of  
22 the DEA registration. There would be checks against  
23 the expiration date of the DEA registration number.  
24 There would be checks against the state license

1        expiration date number. There would be credit  
2        checks.

3                There's a number of administrative pieces  
4        that we -- the order would look at.

5                Q. Are any of -- I'll ask a different question.

6                In 2006, were there any quantity limits  
7        embedded within TPS that would automatically apply to  
8        a -- an evaluation of a controlled substance order?

9                A. Not -- not at the order entry portion.

10              Q. In 2006, is there any automated evaluation of  
11        the controlled substance family that existed within  
12        TPS?

13              MR. MATTHEWS: Objection.

14              THE WITNESS: No.

15        BY MR. NOVAK:

16              Q. All right. Anything else about the automated  
17        TPS evaluation of a controlled substance that  
18        occurred in 2006 other than the steps that you've  
19        already identified?

20              A. No.

21              Q. Okay. In 2006, for a controlled substance  
22        order, what would be the next steps in evaluating  
23        whether the order should be fulfilled by Anda?

24              A. There were none.



1 Q. Okay. Was there anything in 2006 that  
2 addressed whether the customer -- that evaluated  
3 whether the customer was eligible to purchase  
4 controlled substances?

5 MR. MATTHEWS: Objection.

6 THE WITNESS: The validation of their  
7 license, the validation of their schedules that  
8 they were allowed to purchase per that license.

9 BY MR. NOVAK:

10 Q. If they were eligible to purchase a  
11 controlled substance by virtue of holding a -- a  
12 current DEA and state registration licenses, those  
13 were the only factors that the TPS system used in  
14 evaluating whether the order could be filled?

15 MR. MATTHEWS: Objection.

16 THE WITNESS: There could also be contractual  
17 checks related to product eligibility for a  
18 customer for a specific manufacturer.

19 BY MR. NOVAK:

20 Q. Okay. Those relate more to commercial  
21 considerations about what type of product they -- a  
22 particular customer wanted to purchase as opposed to  
23 their eligibility to purchase controlled substances?

24 MR. MATTHEWS: Objection.

1 THE WITNESS: You said two things there.

2 BY MR. NOVAK:

3 Q. Okay. Well, let me look at your answer for a  
4 second.

5 When you say there could be contractual  
6 checks related to a project -- product eligibility  
7 for a customer for a specific manufacturer, what do  
8 you mean?

9 A. Certain manufacturers may restrict certain  
10 products in their portfolio to only ship to certain  
11 classes of trade or types of customers.

12 Q. This is in 2006?

13 A. Sure.

14 Q. And Anda maintains those contractual  
15 limitations on particular customers within its TPS  
16 system?

17 A. Yes.

18 Q. Are any of those contractual limitations  
19 restrictions that emanate from a manufacturer's  
20 suspicious order monitoring system?

21 A. No.

22 Q. Do any of those contractual restrictions that  
23 you identified relate to the eligibility of a  
24 customer to purchase controlled substances?

1           A.     No.

2           Q.     Now, you said that in 2006 after the various  
3     system checks that the TPS system performed on an  
4     automated basis were completed, there would be no  
5     other steps in evaluating the eligibility of the  
6     customer to purchase a controlled substance.

7                     Is that correct?

8           A.     Correct.

9           Q.     At that point, is there any other step that  
10    Anda would take to prevent the -- the sale of a  
11    controlled substance, or at that point, would it  
12    simply go through?

13                    MR. MATTHEWS:  Objection.

14                    THE WITNESS:  Yes, there are additional  
15    checks.

16                    So when the order allocates and is released  
17    to the TPS distribution side of the system, the  
18    pick ticket and the ship label are printed by DEA  
19    cage or vault personnel.  They are then  
20    cross-checked against the order form and the load  
21    sheet that was written up to check the accuracy.

22    BY MR. NOVAK:

23           Q.     So an order that has been placed and passed  
24    the system checks within TPS for a controlled

1 substance would still go through a pick, pack, and  
2 ship accuracy validation at the end of the process?

3 MR. MATTHEWS: Objection.

4 THE WITNESS: There's -- there's two  
5 processes. Specific to CII orders from paper  
6 form or a CSOS order, those manual checks are  
7 cross-referenced against the official order form.

8 BY MR. NOVAK:

9 Q. Okay. And those manual checks are performed  
10 for all controlled substance orders or only CII?

11 A. The specific check that I'm referring to is  
12 for CIIs.

13 Q. Okay. So we have discussed the process as it  
14 relates to the processing of an -- of a paper 222  
15 order for a controlled substance.

16 In what manner does the receipt of an  
17 electronic order through -- well, let -- let me -- is  
18 there any -- is there anything else that we haven't  
19 covered for purposes of fulfilling a Paper 222 Form  
20 Schedule II controlled substance order as that  
21 process existed in 2006?

22 A. The point that I've gotten you to now is  
23 right about to pick the order within the vault.

24 Q. Okay. And can you describe for me the

1 process of picking the order within the vault?

2 A. The pick ticket is used to find the location  
3 in which the product is held inside the vault. The  
4 items and quantities are picked in accordance with  
5 what information is on that pick ticket. They are  
6 placed into a box. They are taken to an assembly  
7 area.

8 The pick ticket, which contains the order  
9 information, the TPS order information, as well as  
10 the DEA Schedule 222 Form number is then scanned into  
11 a TPS script that enters into that order. The  
12 contents of said order are then scanned. A function  
13 key is then pressed to check for errors and request  
14 an invoice.

15 If there's no errors, the invoice prints.  
16 The invoice documentation is again cross-checked  
17 against the shipping label, which has already been  
18 cross-checked against the order load sheet, which has  
19 been cross-checked to the order form.

20 So now we have a series of checks to make  
21 sure this product is going to the correct address.

22 Q. Okay.

23 A. The box is sealed, and it's placed in a  
24 staging area.

1           Q.     Okay.  The process that we've just  
2     painstakingly gone through, as it relates to the  
3     submission of an electronic order under CSOS, can you  
4     describe for me the manner in which that process  
5     differs once the electronic order has been submitted?

6           MR. MATTHEWS:  Objection.

7           THE WITNESS:  So there's obviously no  
8     physical receipt of a paper form order from the  
9     warehouse side.  There's no write-up onto a load  
10    sheet.  There's no transferring of that write-up  
11    load sheet to an admin.

12          The order is in the CSOS system, at which  
13    point there is an indicator or an -- a queue in  
14    which those order amass, in which the DEA vault  
15    personnel will enter into those orders and look  
16    at them.

17          It brings up, for lack of a better  
18    comparison, an electronic 222 Form.  It is a  
19    sheet that was designed within the CSOS  
20    administration system to very closely resemble  
21    the 222 Form.  The data elements contained on a  
22    paper form are the data elements contained on  
23    this electronic form.

24          That becomes the basis from which that order

1 is worked.

2 BY MR. NOVAK:

3 Q. Did there come a point in time after 2006  
4 when additional steps were embedded into the TPS  
5 system for purposes of evaluating the eligibility of  
6 a controlled substance order?

7 A. Yes, there are.

8 Q. When after 2006 did the first such change  
9 occur?

10 A. Likely in 2007.

11 Q. Okay. And what was that change?

12 A. There was a change to not accept orders over  
13 a specific dosage unit number at the item level.

14 Q. What do you mean by the term "at the item  
15 level"?

16 A. At the item -- at the item product family  
17 level.

18 Q. Okay. For purposes of that answer, can you  
19 describe for me how Anda defined the term "product  
20 family level"?

21 A. Products that rolled up into a common  
22 chemical.

23 Q. In the context of opioid products, what are  
24 the product family levels that existed in 2007?

1           A.     There was the alprazolam family, the  
2     hydrocodone families, the oxycodone fentanyl, a  
3     number of other items. I'm not familiar with all the  
4     names, nor can I pronounce them.

5           Q.     Morphine an additional?

6           A.     Sure. Hydromorphone.

7           Q.     Was morphine a separate family level from  
8     hydromorphone?

9           A.     I believe it was.

10          Q.     So in 2007, there were specific quantity  
11     levels embedded within the TPS system as it related  
12     to these different product families?

13                 MR. MATTHEWS: Objection.

14                 THE WITNESS: That's correct.

15     BY MR. NOVAK:

16          Q.     And what were those quantity level  
17     restrictions?

18          A.     Generally, they were 5,000 dosage units per  
19     pharmacist.

20          Q.     When in 2007 was the 5,000 dosage unit limit  
21     embedded into the TPS system?

22          A.     It was -- it was probably the back half of  
23     the year.

24          Q.     Okay. If an order was received that exceeded



1 the 5,000 dosage unit family limit that was embedded  
2 in TPS from a customer, what would happen to that  
3 order?

4 MR. MATTHEWS: Objection.

5 THE WITNESS: It depends how it was received.

6 BY MR. NOVAK:

7 Q. An additional question about the family  
8 levels: How are those kept within the TPS system?

9 A. I don't understand.

10 Q. Okay. Are they based on unit codes or NDC  
11 codes? Or how is it that, from a programming  
12 perspective, the TPS system knows that an order  
13 containing different products is -- is within the  
14 same family?

15 A. The family name is a field in one of the item  
16 attribute screens within the item master file. So an  
17 individual item number within TPS would correspond to  
18 a description, strength, size, NDC of a specific item  
19 or SKU, and it's part of the item setup.

20 Q. Okay. Now, we were talking about the 5,000  
21 family dosage unit limit that was embedded into the  
22 TPS system and what happens to orders that exceed  
23 that 5,000 dosage unit limit.

24 What is done with those?

1 MR. MATTHEWS: Objection.

2 THE WITNESS: Again, it depends on what the  
3 order entry method was.

4 BY MR. NOVAK:

5 Q. Okay. When you say it depends on the order  
6 entry method, are you referring to whether it was  
7 entered paper-wise in a 222 Form or electronically  
8 through CSOS?

9 MR. MATTHEWS: Objection.

10 THE WITNESS: Or electronically through the  
11 Internet.

12 BY MR. NOVAK:

13 Q. Okay. Electronically through the Internet,  
14 by making reference to that form of order entry, you  
15 are talking about entry of an order in a process that  
16 differs from CSOS?

17 MR. MATTHEWS: Objection.

18 THE WITNESS: Are you speaking specifically  
19 about Schedule IIs, or are you speaking about all  
20 controlled substances?

21 MR. NOVAK: Okay. That's a fair -- and I  
22 appreciate it if you're going to address these  
23 different points, identifying circumstances where  
24 it differs.

1 BY MR. NOVAK:

2 Q. I think earlier you testified controlled  
3 Schedule IIs could not be submitted via the Internet,  
4 correct?

5 A. That's correct.

6 Q. Okay.

7 A. That's still correct.

8 Q. So let's talk about the entry for  
9 Schedule III opioid products as the process existed  
10 in 2007 after the family limits were imposed.

11 What would happen to orders that exceed the  
12 5,000 family dosage unit limit?

13 MR. MATTHEWS: Objection.

14 THE WITNESS: Via which order entry method?

15 MR. NOVAK: Internet.

16 THE WITNESS: Internet --

17 MR. MATTHEWS: Objection.

18 THE WITNESS: -- it would not allow the  
19 customer to order over that limit.

20 BY MR. NOVAK:

21 Q. So what would -- what would happen in terms  
22 of -- how would the customer become aware that they  
23 were not allowed to enter an order?

24 A. Likely via a message on the screen that says

1       you can't order that quantity.

2           Q.     Okay.  There was a portal available to  
3       customers for entry of orders via the Internet?

4           MR. MATTHEWS:  Objection.

5           THE WITNESS:  A portal?  I'm not --

6       BY MR. NOVAK:

7           Q.     A customer submitting a -- an order via the  
8       Internet would log onto a specific site at Anda?

9           A.     Sure.

10          Q.     Okay.  And that site would instruct them if  
11       they exceeded a 5,000 dosage unit for a family with  
12       their order?

13          MR. MATTHEWS:  Objection.

14          THE WITNESS:  I'm not sure of the specific  
15       messaging.

16       BY MR. NOVAK:

17          Q.     Okay.  At any rate, they would not be able to  
18       file an order if it exceeded the 5,000 family unit  
19       restriction via the Internet?

20          A.     Correct.

21          Q.     What would happen if the same customer  
22       attempted to submit that order via CSOS?

23          A.     It would be the same result.

24          Q.     In either of those two instances --

1           A.     It wouldn't be the same order, though.

2           Q.     The order that similarly exceeded 5,000 --

3           A.     It would have to be for a different product  
4     to be on the two different systems, though.  You  
5     can't do -- you can't do a Schedule III on CSOS.

6           Q.     Oh.  Okay.  Thank you.

7                     And then what would happen to the order if it  
8     had been submitted via a paper 222 Form?

9           A.     It would be --

10                    MR. MATTHEWS:  Objection.

11                    THE WITNESS:  It would be caught at the order  
12     entry method by the sales administrator and a  
13     message would flash on the screen that there was  
14     exceeding of the limit.

15     BY MR. NOVAK:

16           Q.     Okay.  For Control II orders that exceeded  
17     the 5,000 family unit level in 2007 that were  
18     submitted via CSOS, would there be any prompt or  
19     electronic notification to the customer that they had  
20     exceeded a limit?

21           A.     I don't have details of what that prompt  
22     would be.

23           Q.     Okay.

24           A.     But it wouldn't accept the order.

1 Q. Okay. Would it assign an order number to the  
2 order?

3 A. No, it would not.

4 Q. And if the order that is in excess of the  
5 5,000 dosage unit family limit in 2007, if it was  
6 submitted via paper 222 Form, would an order number  
7 be assigned to such an order?

8 A. No.

9 MR. MATTHEWS: Objection.

10 BY MR. NOVAK:

11 Q. And for a Control III -- a Schedule III  
12 controlled substance that was submitted via the  
13 Internet to Anda in the 2007 time frame, if it  
14 exceeded the 5,000 dosage unit family limit, would an  
15 order number be assigned to that type of order?

16 MR. MATTHEWS: Objection.

17 THE WITNESS: No, it wouldn't.

18 BY MR. NOVAK:

19 Q. Okay. When a customer in this 2007 time  
20 frame -- and maybe to be more precise, we're talking  
21 about the latter half of 2007 for purposes of these  
22 questions.

23 Is that what you understood?

24 A. (Nodding head.)

1 Q. You have to give verbal answers.

2 A. Yes.

3 Q. Okay. If a customer became aware of their  
4 inability to submit an order, either because they  
5 were unable to do so on CSOS or via the Internet, but  
6 they nonetheless wanted additional product, what  
7 steps were available to such a customer to seek a  
8 higher volume of a controlled substance in 2007?

9 MR. MATTHEWS: Objection. Outside the scope.

10 THE WITNESS: They could contact their sales  
11 rep and initiate a conversation about it.

12 MR. NOVAK: First break?

13 MR. MATTHEWS: Sure.

14 THE VIDEOGRAPHER: The time is 10:23 a.m.

15 We're going off the record.

16 (Recess from 10:23 until 10:35 a.m.)

17 THE VIDEOGRAPHER: The time is 10:35 a.m. We  
18 are now back on the record.

19 BY MR. NOVAK:

20 Q. Mr. Cochrane, we have been talking about the  
21 institution of a 5,000 dosage unit per family for  
22 controlled substances in approximately August of  
23 2007.

24 What were the circumstances at Anda that led

1 to the institution of that 5,000 unit limit to begin  
2 with?

3 A. Oh, that was post some conversations and a  
4 meeting with DEA.

5 Q. When did that -- well, start with the  
6 conversations that you referenced.

7 Who were the participants in the  
8 conversations that you identified?

9 A. DEA personnel at Washington headquarters,  
10 along with a compliance director at our parent,  
11 Watson Pharmaceuticals.

12 Q. Was that individual Tracey Hernandez?

13 A. Yes, it was.

14 Q. And did Ms. Hernandez convey to  
15 representatives of Anda the content of the  
16 conversations that she had with representatives of  
17 the DEA?

18 MR. MATTHEWS: Objection.

19 THE WITNESS: Yes, she did.

20 BY MR. NOVAK:

21 Q. And what is your understanding of the content  
22 of the discussion that they had?

23 A. The content was based around quantities of  
24 controlled substances that Anda was shipping to



1 registrants.

2 Q. Is it Anda's understanding that DEA officials  
3 had expressed concern to Ms. Hernandez that in some  
4 instances Anda was shipping too large a volume of  
5 controlled substances to particular customers?

6 MR. MATTHEWS: Objection.

7 THE WITNESS: I don't know that those words  
8 were used, "too large a volume," but there was --  
9 it warranted a discussion from their part to  
10 reach out.

11 BY MR. NOVAK:

12 Q. Did you have an understanding as to whether  
13 DEA officials identified particular quantities of  
14 controlled substances that were concerning to them?

15 MR. MATTHEWS: Objection.

16 THE WITNESS: No, I didn't.

17 BY MR. NOVAK:

18 Q. Do you know if any suggestions were made by  
19 DEA officials in their conversation with  
20 Ms. Hernandez regarding modifications to the manner  
21 in which Anda should perform its business?

22 A. I don't know if there were suggestions made  
23 with the initial conversation with Tracey. There  
24 were suggestions made from DEA in some later

1       conversations that DEA had with Anda representatives.

2           Q.     Okay. Even before those later meetings  
3       occurred, as a result of the initial conversations  
4       between the DEA and Ms. Hernandez, did Anda implement  
5       any steps that modified the manner in which it sold  
6       controlled substances?

7           MR. MATTHEWS: Objection.

8           THE WITNESS: Yes, they did.

9       BY MR. NOVAK:

10          Q.     And what were those steps?

11          A.     There was an immediate halt on large bottle  
12       size formats of products being available so that we  
13       could review some data and make appropriate changes  
14       in accordance with what the initial conversation was  
15       with the DEA representative and Ms. Hernandez.

16          Q.     When you say review some data and make  
17       appropriate changes in accordance with what the  
18       initial conversation was with the DEA representative  
19       and Ms. Hernandez, what do you mean?

20          A.     There was a general conversation that  
21       Ms. Hernandez had with representatives from DEA that  
22       was talking about concern about quantities of  
23       controlled substances that Anda was shipping into the  
24       marketplace to DEA registrants.

1                   We ceased selling 500- and 1,000-count  
2   bottles for a period of time, a couple of days, so  
3   that we could begin to look at our own data and what  
4   our shipping history was so that we could assess and  
5   try to understand where the commentary from DEA was  
6   coming from.

7           Q.    I'm not sure I heard the quantity correctly.  
8   Was it 500-count bottles were ceased?

9           A.    500- and 1,000-count. We continued to sell  
10   100-count bottles. There may have been 90s and 30s  
11   as well, but the idea was to cease shipping the large  
12   quantity bottles.

13          Q.    Were the prospects of an enforcement action  
14   by DEA against Anda discussed in the initial  
15   telephone communications that Ms. Hernandez had with  
16   DEA officials?

17                   MR. MATTHEWS: Objection.

18                   THE WITNESS: I wasn't part of that  
19   conversation. I'm not sure of what was exactly  
20   said from DEA.

21   BY MR. NOVAK:

22          Q.    Okay. In terms of Ms. Hernandez referring  
23   the -- or -- or communicating the content of that  
24   initial discussion to officials at Anda, did

1 Ms. Hernandez indicate that DEA officials had  
2 suggested a potential enforcement action against  
3 Anda?

4 MR. MATTHEWS: Objection.

5 THE WITNESS: Yes, she did.

6 BY MR. NOVAK:

7 Q. And what did she say?

8 A. I wasn't part of that conversation, but she  
9 contacted our then-president, Mr. Al Paonessa, and  
10 let her -- let him know that she had received a call  
11 from Washington headquarters.

12 Q. Okay. And she communicated what DEA  
13 officials had communicated to her as it relates to  
14 potential enforcement actions against Anda?

15 MR. MATTHEWS: Objection.

16 THE WITNESS: Yes.

17 BY MR. NOVAK:

18 Q. Did Mr. Paonessa subsequently have  
19 conversations with you regarding these initial  
20 communications between Ms. Hernandez and DEA?

21 A. Yes, he did.

22 Q. And what did he tell you?

23 A. He told us that DEA called Tracey Hernandez  
24 at Watson and said there's a concern about the

1 quantities of controlled substances that we are  
2 shipping to DEA registrants.

3 Q. Okay. At that point in time, had the 5,000  
4 dosage unit limit been discussed between Mr. Paonessa  
5 and Ms. Hernandez?

6 A. There was talk about the 5,000 unit dosage  
7 limit that we had previously in place related to line  
8 item level orders, yes.

9 Q. Okay. In that answer, you said there was  
10 talk about the 5,000 dosage limit that we had  
11 previously in place.

12 A. Yeah.

13 Q. Is it your understanding that that 5,000  
14 dosage limit was instituted prior to the  
15 communications that existed between DEA officials and  
16 Ms. Hernandez at Watson?

17 A. Yes, it was.

18 Q. When was it instituted?

19 A. 2005, perhaps. Maybe before.

20 Q. When we discussed earlier this morning the  
21 fulfillment of controlled substance orders in 2006,  
22 we identified, I think, a few different limitations  
23 or screens that TPS engaged -- applied for purposes  
24 of determining whether the order should be fulfilled,

1 correct?

2 A. That's right.

3 Q. Okay. Was there a screen in 2006 that  
4 applied a 5,000 dosage limit embedded within TPS?

5 A. At the line item level, yes, it did.

6 Q. Okay.

7 A. It wasn't at a family level. The family  
8 level came later in 2007.

9 Q. Okay. All right. I now -- now I think I  
10 understand.

11 So going back to the discussions between  
12 representatives of the DEA and Ms. Hernandez, based  
13 upon the recounting of information to you from  
14 Mr. Paonessa, did you have an understanding as to  
15 whether the 5,000 dosage unit limit on a family level  
16 was something that the DEA had requested?

17 MR. MATTHEWS: Objection.

18 THE WITNESS: I don't know that they  
19 requested it, but that was part of our response  
20 to -- to the conversation and to -- the ask of  
21 DEA.

22 BY MR. NOVAK:

23 Q. Okay. What other steps did Anda take in  
24 response to the conversations that Ms. Hernandez had

1 with the DEA?

2 A. In addition to the ceasing of the 500- and  
3 1,000-count bottles?

4 Q. Yes.

5 A. Over those days, reviewing data, we made some  
6 programming changes to institute the family level  
7 limits to a DEA registration number, which was a  
8 pretty large change from where we had been with the  
9 5,000 dosage unit limit at the line-item level.

10 And that was implemented within a few days  
11 and was reported back to DEA.

12 Q. Okay. Subsequent to the communications  
13 between DEA, Ms. Hernandez at Watson, and  
14 Mr. Paonessa at Anda, was there a follow-on meeting  
15 directly between representatives --

16 A. There was at least one --

17 Q. Let me finish the question.

18 -- between representatives of Anda and the  
19 DEA?

20 A. Yes. There was at least one additional call  
21 with representatives from Anda and DEA, and  
22 Ms. Hernandez, I believe, was on that call as well.  
23 And then there was a face-to-face meeting in  
24 Washington.

1 Q. Okay. When approximately was the additional  
2 call?

3 A. Within days.

4 Q. Okay. July of 2007?

5 A. That's accurate, yeah.

6 Q. Were you a participant on that call?

7 A. I was a participant on one of the calls, for  
8 sure.

9 Q. Who, in addition to you, participated?

10 A. Michael Cochrane and Tracey Hernandez.

11 Q. Did Mr. Paonessa participate?

12 A. I don't believe he was on that call.

13 Q. Okay. And what did you discuss with DEA in  
14 this July 2007 call?

15 A. We revisited the commentary that DEA gave to  
16 Ms. Hernandez; we talked about the changes that we  
17 took and made in the days following Ms. Hernandez's  
18 initial communication; and we talked about a  
19 face-to-face meeting to be scheduled in the coming  
20 days or weeks.

21 Q. Okay. In the 2007 July telephone call, did  
22 DEA representatives communicate a concern about the  
23 quantity of orders for controlled substances that  
24 Anda was fulfilling?



1           A.     Yes, they did.

2           Q.     Did it identify particular drugs that were of  
3     concern to them?

4           A.     I don't recall specific drugs or customers  
5     mentioned.

6           Q.     Okay. Do you recall whether they  
7     specifically referenced orders in excess of 100,000  
8     or 200,000 units of OxyContin?

9           A.     I don't recall the exact quantities, but  
10    there were large -- larger than 5,000 quantities  
11    conveyed.

12          Q.     Okay. And Anda was at that time in 2007  
13    fulfilling orders that were orders of magnitude  
14    larger than 5,000 dosage units for a family --

15                   MR. MATTHEWS: Objection.

16    BY MR. NOVAK:

17          Q.     -- of controlled substances, weren't they?

18                   MR. MATTHEWS: Objection.

19                   THE WITNESS: At the order level, yes, it was  
20    possible to send more than 5,000 dosage units of  
21    a family.

22    BY MR. NOVAK:

23          Q.     Okay.

24          A.     The limits were applied to the line-item

1 level at that point.

2 Q. After the follow-on telephone call in July of  
3 2007 that you participated in, did you also  
4 participate in the face-to-face meeting?

5 A. I did not.

6 Q. Okay. By the way, we've been talking about  
7 Ms. Hernandez and her participation, both in the  
8 initial communication with DEA and then the follow-on  
9 telephone call from -- that you participated in.

10 What is your understanding as to  
11 Ms. Hernandez's position at that time at Watson?

12 MR. MATTHEWS: Objection. Outside the scope.

13 THE WITNESS: She -- she was a compliance  
14 director for the Watson Manufacturing Company,  
15 which was our parent at the time.

16 BY MR. NOVAK:

17 Q. Okay. At the time that Watson acquired Anda,  
18 were there any changes instituted in the manner that  
19 Anda handled its controlled substances?

20 MR. MATTHEWS: Objection. Beyond the scope.

21 THE WITNESS: Operationally?

22 MR. NOVAK: Yes.

23 THE WITNESS: No.

24 ///

1 BY MR. NOVAK:

2 Q. In terms of who within Anda had the authority  
3 to make determinations about controlled substance  
4 handling, did any of those individuals have to report  
5 to Ms. Hernandez at Watson?

6 MR. MATTHEWS: Objection.

7 THE WITNESS: Controlled substance handling  
8 how?

9 BY MR. NOVAK:

10 Q. For instance, the maintenance or creation of  
11 a suspicious order monitoring system.

12 MR. MATTHEWS: Objection. Beyond the scope.

13 THE WITNESS: No.

14 BY MR. NOVAK:

15 Q. Were you provided instruction from  
16 Mr. Paonessa as to what role Ms. Hernandez should  
17 play in devising a suspicious order monitoring system  
18 at Anda?

19 MR. MATTHEWS: Objection.

20 THE WITNESS: No, I was not.

21 BY MR. NOVAK:

22 Q. How would you describe Ms. Hernandez's role  
23 as it relates to the operation of a suspicious order  
24 monitoring system at Anda?

1 MR. MATTHEWS: Objection. Outside the scope.

2 THE WITNESS: She had no influence on that.

3 BY MR. NOVAK:

4 Q. Now, you indicated at the follow-on meeting  
5 with DEA officials and Anda in the summer of 2007,  
6 you were not present?

7 A. The face-to-face, I was not present.

8 Q. Okay. Is it your understanding that Anda  
9 made commitments in that meeting as to limitations  
10 that it would place on the sale of controlled  
11 substances?

12 MR. MATTHEWS: Objection.

13 THE WITNESS: No, I don't believe there were  
14 any commitments made to limitations.

15 BY MR. NOVAK:

16 Q. Okay. Were any limitations discussed at the  
17 face-to-face meeting?

18 A. Yes.

19 Q. And what is your understanding as to what was  
20 discussed?

21 A. DEA indicated to Michael and Al that a normal  
22 pharmacy doesn't usually need more than 5,000 dosage  
23 units of an item on a monthly basis.

24 Q. Is that dosage units of an item on a monthly

1 basis or 5,000 dosage units of a family on a monthly  
2 basis?

3 A. At that point it was understood that it was  
4 family. We had already made the modifications to our  
5 systems to allow for limits by family to a specific  
6 registrant.

7 Q. Okay. Had you implemented the 5,000 dosage  
8 unit per family limit prior to the face-to-face  
9 meeting with the DEA?

10 A. Yes, we had.

11 Q. That was on approximately August 1?

12 A. I believe it was still in July.

13 Q. Okay. Are there other modifications to the  
14 sale of controlled substances that Anda made coming  
15 out of the face-to-face meeting that was held with  
16 DEA representatives?

17 A. Other than limit checking at the family  
18 level?

19 Q. Correct.

20 A. I don't believe so.

21 Q. Okay. How about of the types of customers  
22 that Anda would sell opioids to?

23 A. Nothing specific.

24 Q. Any restrictions on the classes of trade that

1        Anda would sell opioids to that came out of the 2007  
2        meeting?

3            A.    No, I don't believe so.

4            Q.    Okay. By the way, when we talk about classes  
5        of trade, as of this time in 2007, were there  
6        particular classes of trade for whom Anda refused to  
7        sell controlled substances?

8            A.    For customers that were identified as  
9        Internet pharmacy, we were not selling to Internet  
10       pharmacies.

11          Q.    Was there a point in time that Anda imposed  
12       the limitation of not selling controlled substances  
13       to Internet pharmacies?

14          A.    It was years prior to that. It was probably  
15       in 2004 or -5.

16          Q.    Okay. Did the DEA discuss in the  
17       face-to-face meeting with representatives of Anda  
18       that there were particular classes of trade that they  
19       viewed as problematic as it related to the sale of  
20       controlled substances?

21          A.    I -- I wasn't at the meeting. I don't -- I  
22       don't recall specifics. But I knew they -- I know  
23       they had issues with Internet pharmacies, and there  
24       was dialogue prior to the 2007 meeting with

1 Washington related to their Internet pharmacies.

2 Q. Okay. We have been using the term class of  
3 trade without really defining it. As it relates to  
4 the sale of controlled substances, what were the  
5 different types of class of trade to which Anda sold  
6 in the summer of 2007?

7 A. Retail pharmacies, doctors, hospitals,  
8 wholesalers, warehousing chain customers.

9 Q. How about repackagers?

10 A. Repackagers, yes.

11 Q. Would pain clinics be a separate class of  
12 trade?

13 A. I think those would be together with either  
14 the Internet pharmacies and/or the doctors,  
15 potentially.

16 Q. But as of this time in 2007, the only class  
17 of trade that Anda would not sell controlled  
18 substances to was Internet pharmacies.

19 Is that correct?

20 A. I believe that.

21 MR. MATTHEWS: Objection.

22 BY MR. NOVAK:

23 Q. Okay. Now, once the 5,000 dosage unit per  
24 control family limitation on opioids was instituted

1 in the summer of 2007, did Anda devise policies under  
2 which a customer could seek to purchase more than  
3 5,000 units --

4 MR. MATTHEWS: Objection.

5 Q. -- for a particular control family?

6 A. Yes, we did.

7 Q. Okay. What, if you can describe them, was  
8 the process of allowing a customer to purchase more  
9 than 5,000 units of, say, OxyContin in August of  
10 2007?

11 A. There was a review of that customer's  
12 business, a review of that customer's usage of  
13 product, the number of prescriptions they served, the  
14 demographics of the customer's location.

15 Q. For purposes of evaluating the customer's  
16 usage of product, what information did Anda collect  
17 in August of 2007?

18 A. Dispensing information from their pharmacy  
19 and sometimes purchasing information from that  
20 pharmacy from . . .

21 Q. Did there come a point in time where the --  
22 I'll ask a different question.

23 At this point in time in 2007, were the  
24 limitations placed on the sale of controlled



1 substance -- substances part of what you considered  
2 to be Anda's suspicious order monitoring system?

3 A. It was part of our entire compliance program  
4 as it related to controlled substances.

5 Q. Okay. Were there -- in addition to the  
6 family unit limitations imposed upon the sale of  
7 controlled substances, what were the other elements  
8 of Anda's suspicious order monitoring system in  
9 August of 2007?

10 A. Our entire compliance program consisted of  
11 procedures related to the handling of the controlled  
12 substances, the physical security of the controlled  
13 substances, the clearances in which we obtained to  
14 allow employees to have access to work with  
15 controlled substances, the procedures we had in place  
16 to pick and pack controlled substances, the inventory  
17 and security aspects of the controlled substances,  
18 the cycle counts, daily counts, as well as the  
19 accreditation of a customer from the licensure to the  
20 customer setup to the address checks. All of those  
21 elements.

22 Q. Okay. Were there particular policies in  
23 place as of this time in August of 2007 that related  
24 to an evaluation of the appropriateness of a

1 particular customer buying controlled substances?

2 MR. MATTHEWS: Objection.

3 THE WITNESS: The appropriateness?

4 MR. NOVAK: Yes.

5 THE WITNESS: Yes.

6 BY MR. NOVAK:

7 Q. And which of the policies in effect related  
8 to that evaluation of the customer's appropriateness?

9 A. There was a policy related to the information  
10 needed to set up an account. There was controlled  
11 substance handling. There were cycle count pieces.

12 (Anda Exhibit 2 was marked for  
13 identification.)

14 BY MR. NOVAK:

15 Q. We have marked for identification purposes  
16 Anda Exhibit -- Anda-Cochrane Exhibit 2.

17 MR. NOVAK: You know, it just --

18 MR. MATTHEWS: You should call this Anda, and  
19 you can call it Pat Cochrane tomorrow.

20 MR. NOVAK: Right.

21 MR. MATTHEWS: That's the way I noted it on  
22 the top of mine.

23 MR. NOVAK: Okay. What did we call Number 1?  
24 Did we call it Anda 1?

1 THE WITNESS: It's got my name on it.

2 MR. NOVAK: Okay. I think the -- for today's  
3 purposes, they will just be labeled as Anda  
4 exhibits without the witness name. And then when  
5 we do this tomorrow, we'll have to make it  
6 Patrick Cochrane to distinguish between those and  
7 the Michael Cochrane ones.

8 BY MR. NOVAK:

9 Q. So we've had marked Anda-Cochrane Exhibit 2,  
10 which also was previously marked as Anda Spellman  
11 Deposition Exhibit 6, which are the defendant  
12 Anda Inc.'s Supplemental Response to Plaintiff's  
13 First Refined Discovery Request to Distributor  
14 Defendants.

15 And the particular page of these that I would  
16 like to draw your attention to start at, Page 8.







9                   (Anda Exhibit 3 was marked for  
10       identification.)

11                   MR. NOVAK: Are these going on the screen?

12                   THE VIDEOGRAPHER: Yes. Do you want to see  
13       it?

14                   MR. NOVAK: Yeah.

15       BY MR. NOVAK:



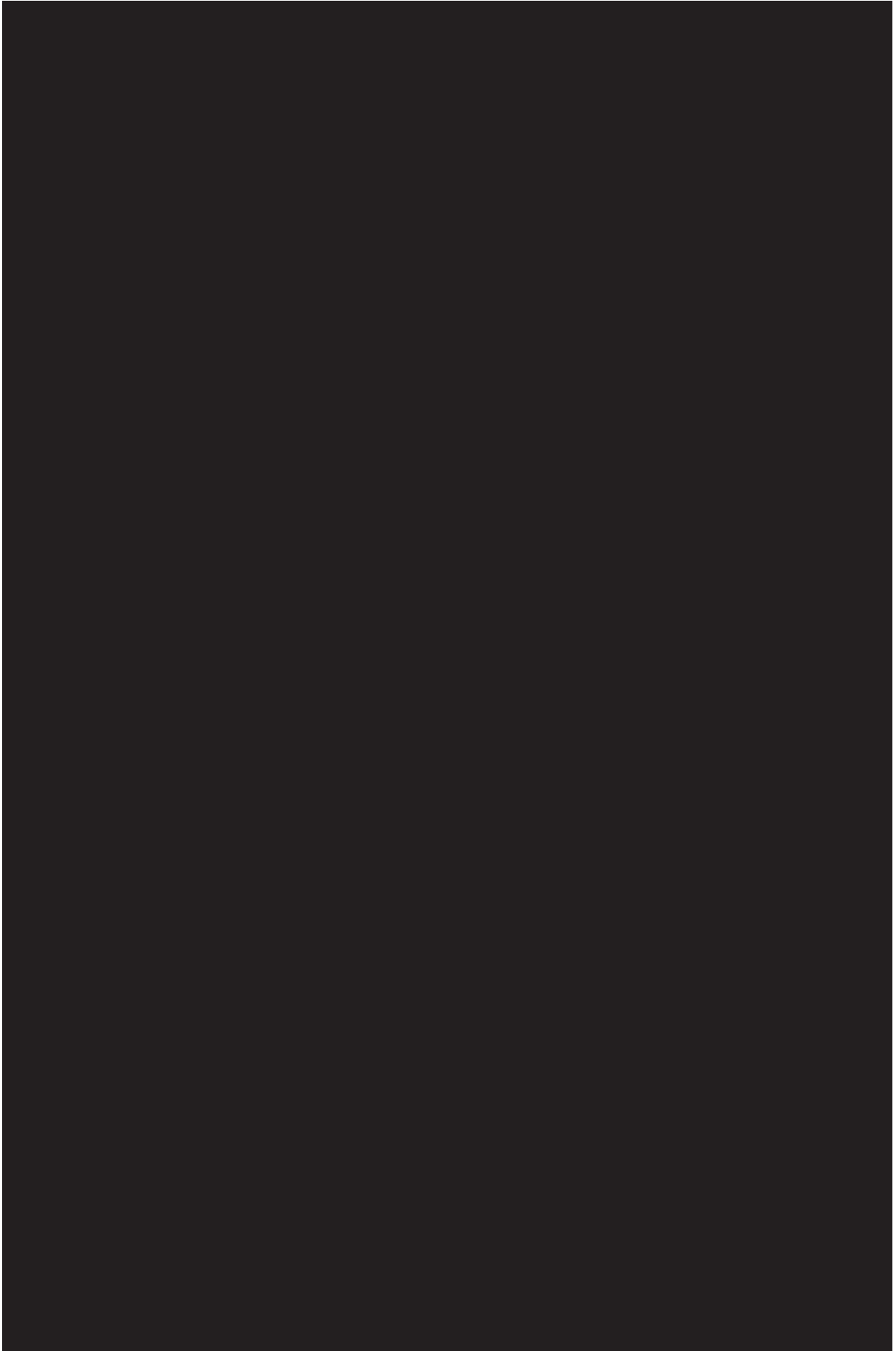





15                   (Anda Exhibit 4 was marked for  
16       identification.)

17       BY MR. NOVAK:










15                   (Anda Exhibit 5 was marked for  
16       identification.)  
17       BY MR. NOVAK:



[REDACTED]

3           Q.    Okay.  Do you know where you would go to  
4    obtain the prior versions of Standard Operating  
5    Procedure 40 that existed prior to March of 2017?

6           A.    I would go to our compliance department.

7           Q.    Okay.  Do you understand that they have the  
8    prior versions of the Standard Operating Procedure 40  
9    on file?

10          A.    I don't know that.

[REDACTED]

16                   (Anda Exhibit 6 was marked for  
17    identification.)

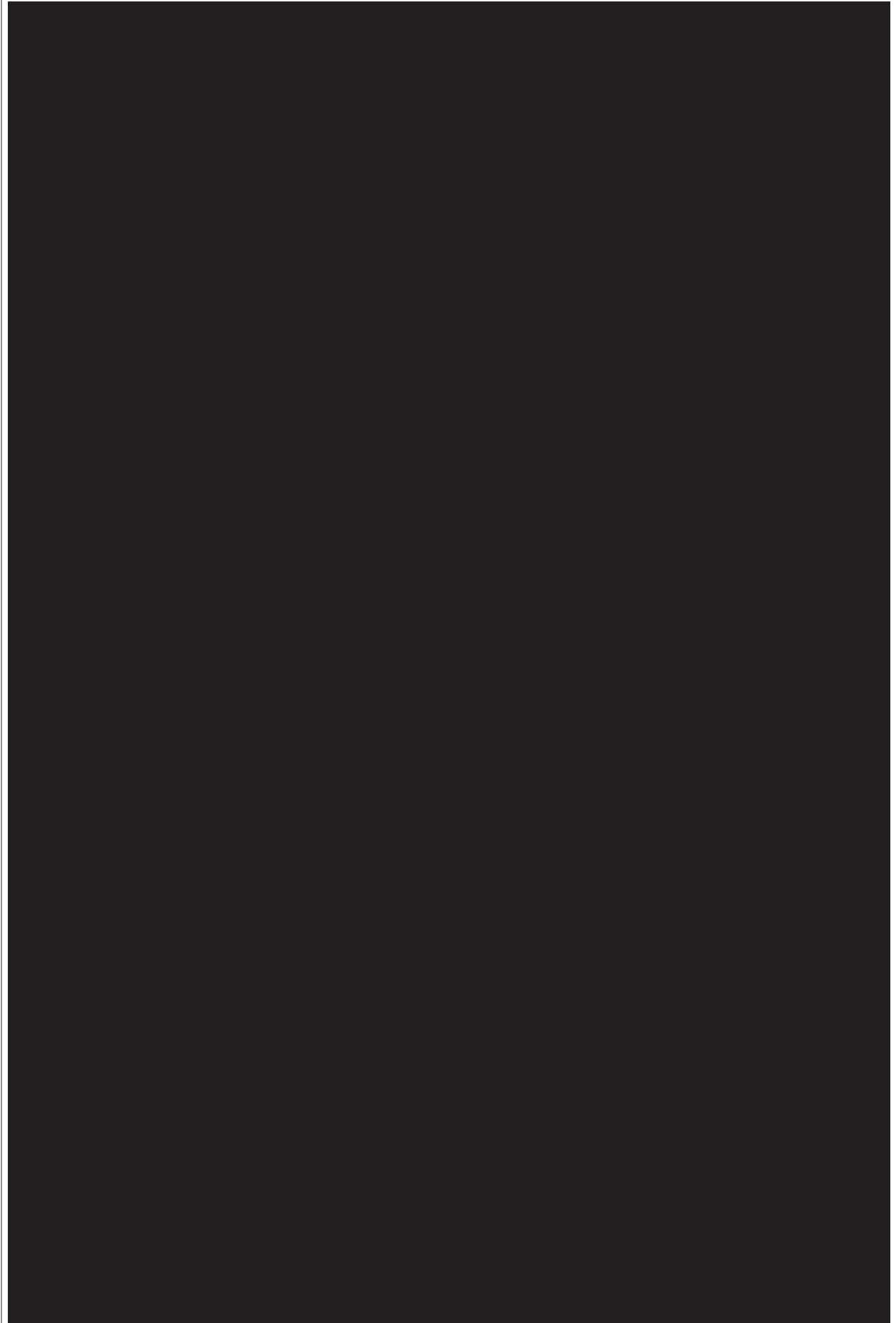
[REDACTED]

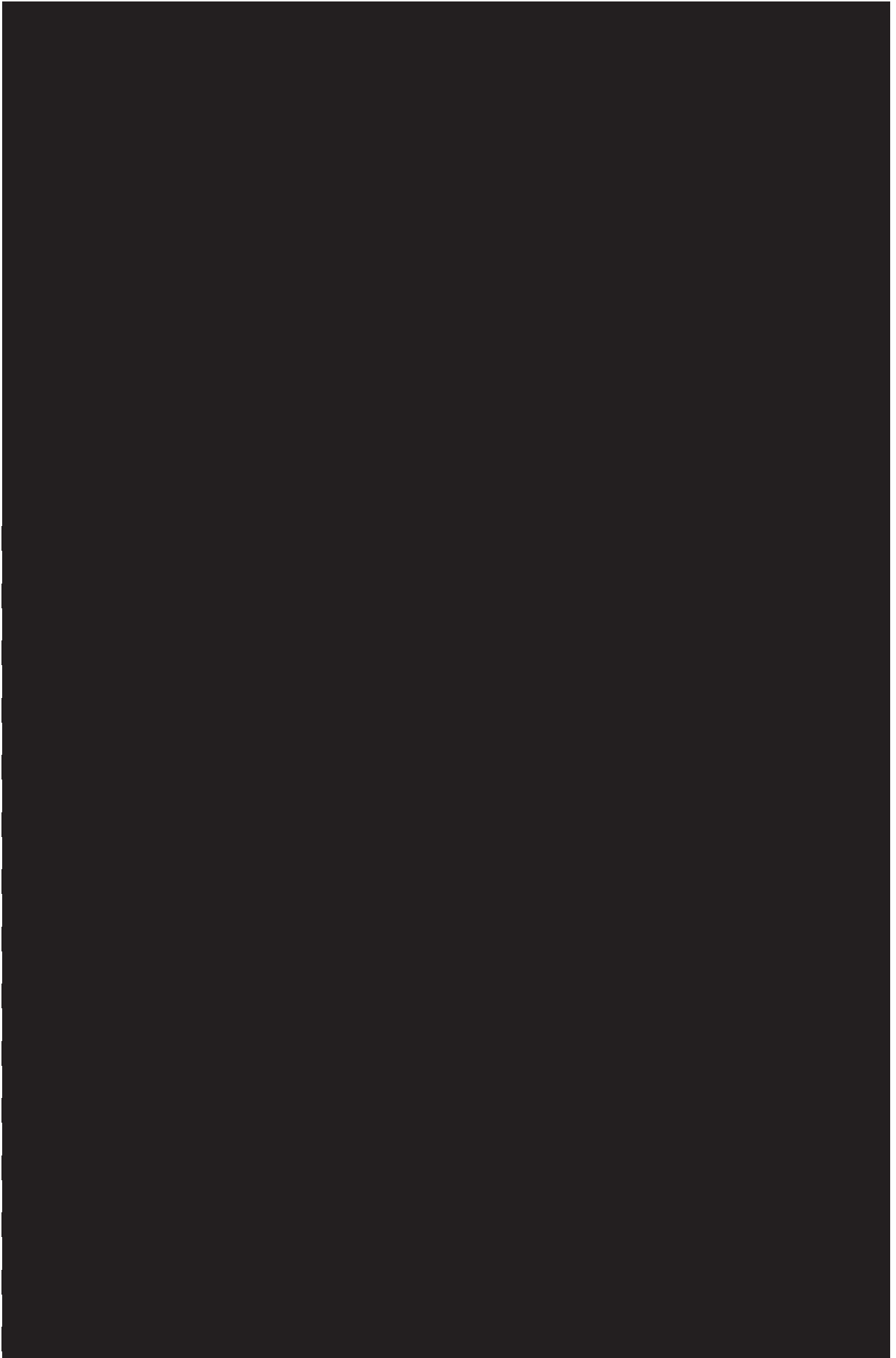
24                   By the way, we've made reference to

1 Mr. Paonessa a number of times today. I'm not sure  
2 if we've ever articulated. At this time in 2007, was  
3 Mr. Paonessa the president of Anda?

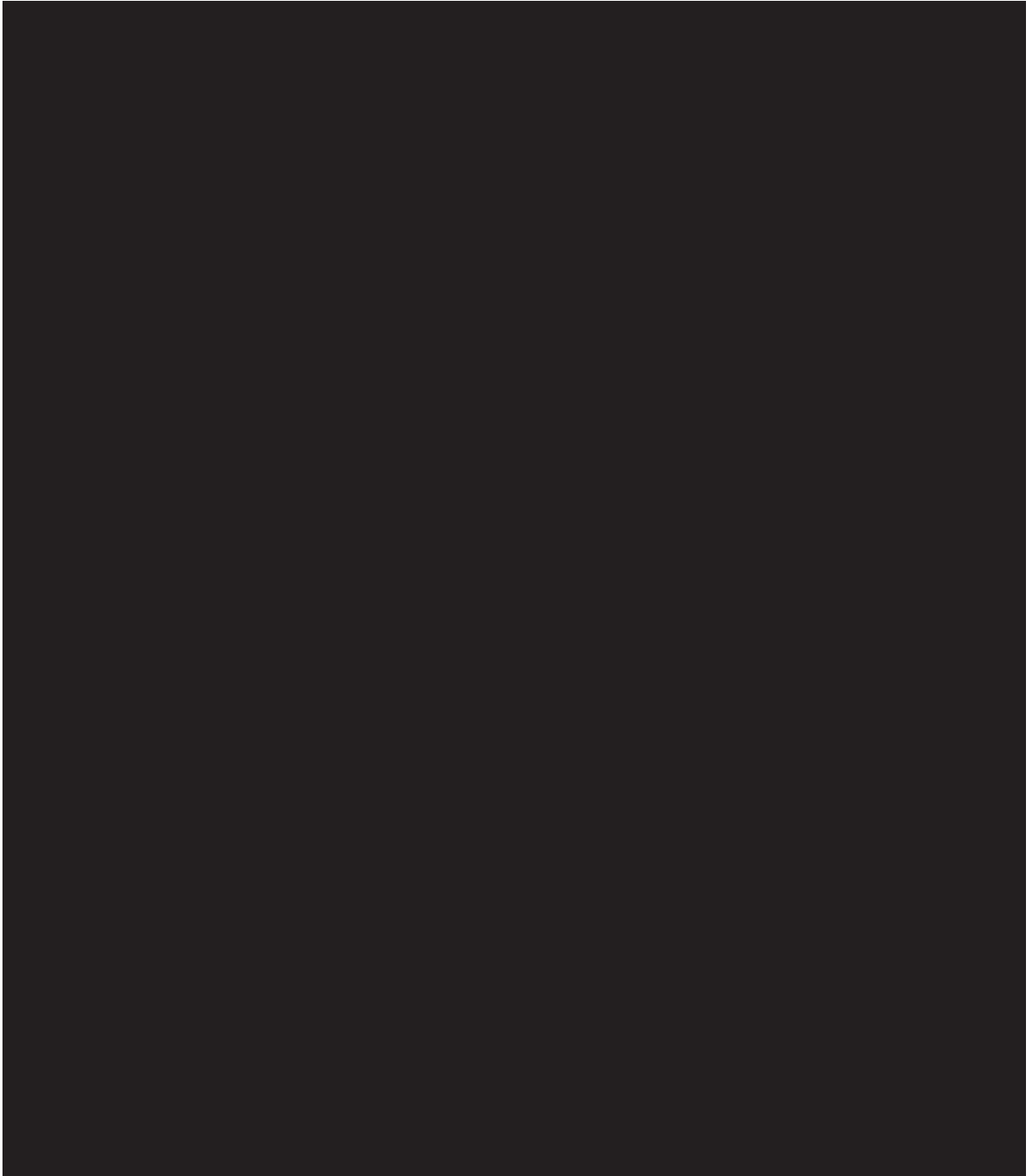
4 A. Yes, he was.







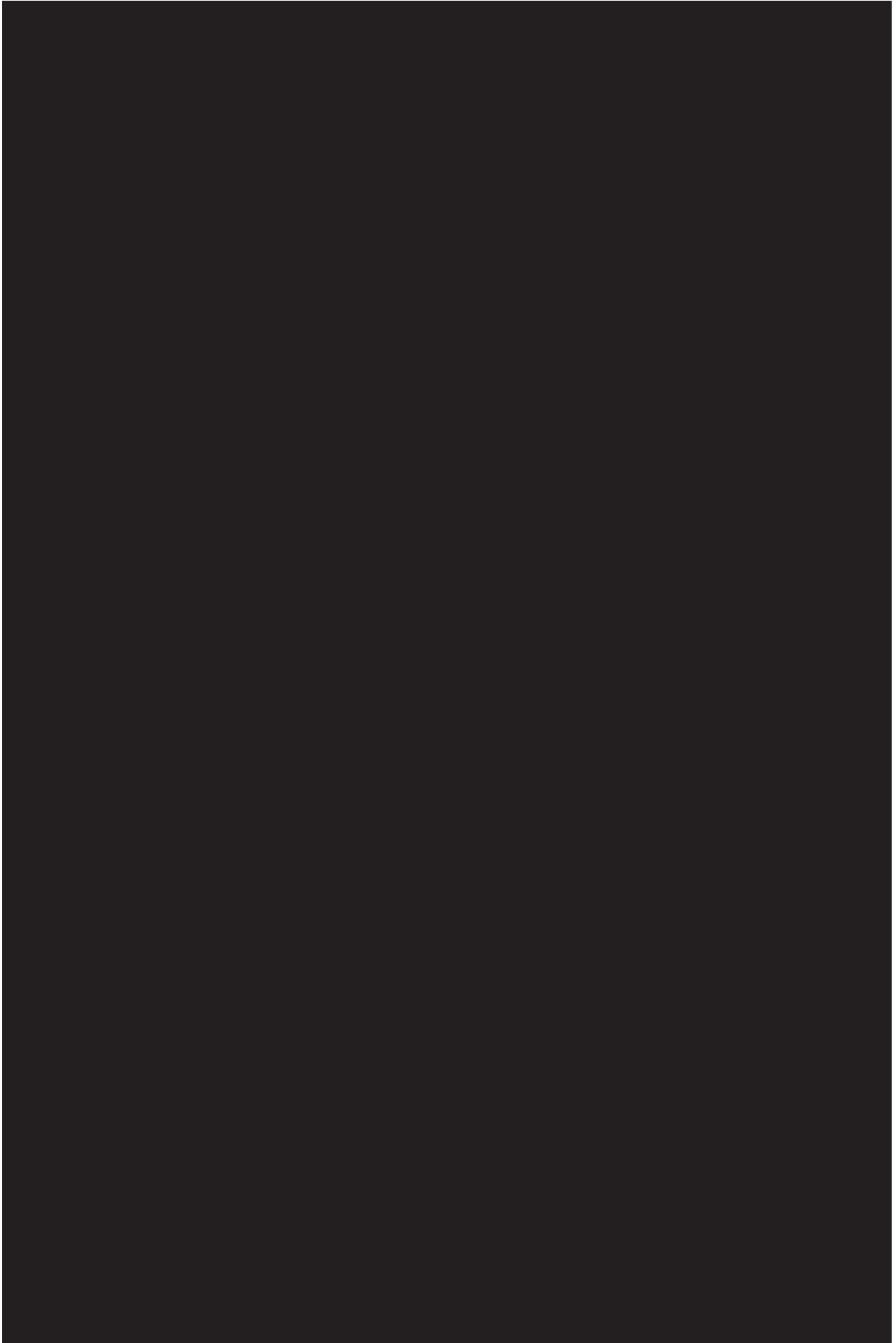




19           Q.    -- as of this time in 2007?

20           A.    I'm not aware of that.













13 BY MR. NOVAK:

14 Q. Okay. Now, as this procedure was implemented  
15 in the fall of 2007, there were customers of Anda's  
16 that were allowed to buy more than 5,000 units of  
17 OxyContin or fentanyl or other controlled substance  
18 families, correct?

19 A. Adjustments to families could be made at the  
20 family level.

21 Q. When you say -- if I understand you  
22 correctly, that means that the individual making  
23 adjustments would make them on a family-by-family  
24 basis?

1 A. I don't understand the question.

2 Q. Okay. I'll ask a completely different one.

3 As we go into the fall of 2007 and these new  
4 procedures are being implemented as it relates to the  
5 sale of opioid families to Anda's customers, who is  
6 it that's making the decision about whether a  
7 customer can buy more than 5,000 units of a family?

8 A. The compliance department.

9 Q. Okay. And so when the compliance department  
10 employee is making those decisions to adjust a limit  
11 for a customer, do they make it on a family-by-family  
12 basis?

13 A. Yes, they can.

14 Q. Okay. Do they typically, or do they  
15 typically modify it upwards or downwards of -- for  
16 every family?

17 MR. MATTHEWS: Objection.

18 THE WITNESS: It would depend on the usage  
19 and whether the data warranted it.

20 BY MR. NOVAK:

21 Q. Okay. So depending on the data, a compliance  
22 department employee might modify the limit for  
23 OxyContin, allowing a customer to buy more of that,  
24 but still maintain them at 5,000 family units for

1       fentanyl?

2                   MR. MATTHEWS:  Objection.

3                   THE WITNESS:  That's possible.

4       BY MR. NOVAK:



12           Q.    I want to leap ahead a couple of years.

13                   In the summer of 2010, do you have an  
14   understanding that Anda met with compliance  
15   individuals at the Drug Enforcement Administration to  
16   discuss their suspicious order monitoring system?

17                   MR. MATTHEWS:  Objection.

18                   THE WITNESS:  I believe the DEA met at our  
19   location.

20   BY MR. NOVAK:

21           Q.    Okay.  Did you participate in those meetings?

22           A.    Yes.  It was a physical inspection.

23           Q.    Okay.  And in addition to the physical  
24   inspection, did DEA officials meet with

1       representatives of Anda to discuss modifications in  
2       how their controlled substances were being sold?

3                   MR. MATTHEWS:  Objection.

4                   THE WITNESS:  I don't remember discussing  
5       specifics about modifications.

6                   (Anda Exhibit 7 was marked for  
7       identification.)

8       BY MR. NOVAK:



[REDACTED]

3 MR. MATTHEWS: Objection.

4 BY MR. NOVAK:

5 Q. -- in 2010?

6 MR. MATTHEWS: Objection.

7 THE WITNESS: A meeting with Gayle Lane  
8 happened some many weeks, if not a couple months,  
9 after this e-mail request.

10 BY MR. NOVAK:

11 Q. Okay. And did you participate in the  
12 subsequent meeting that was held with Gayle Lane?

13 A. Yes, I did.

14 Q. Did you also participate in the preparation  
15 of the different individuals at Anda for that  
16 meeting?

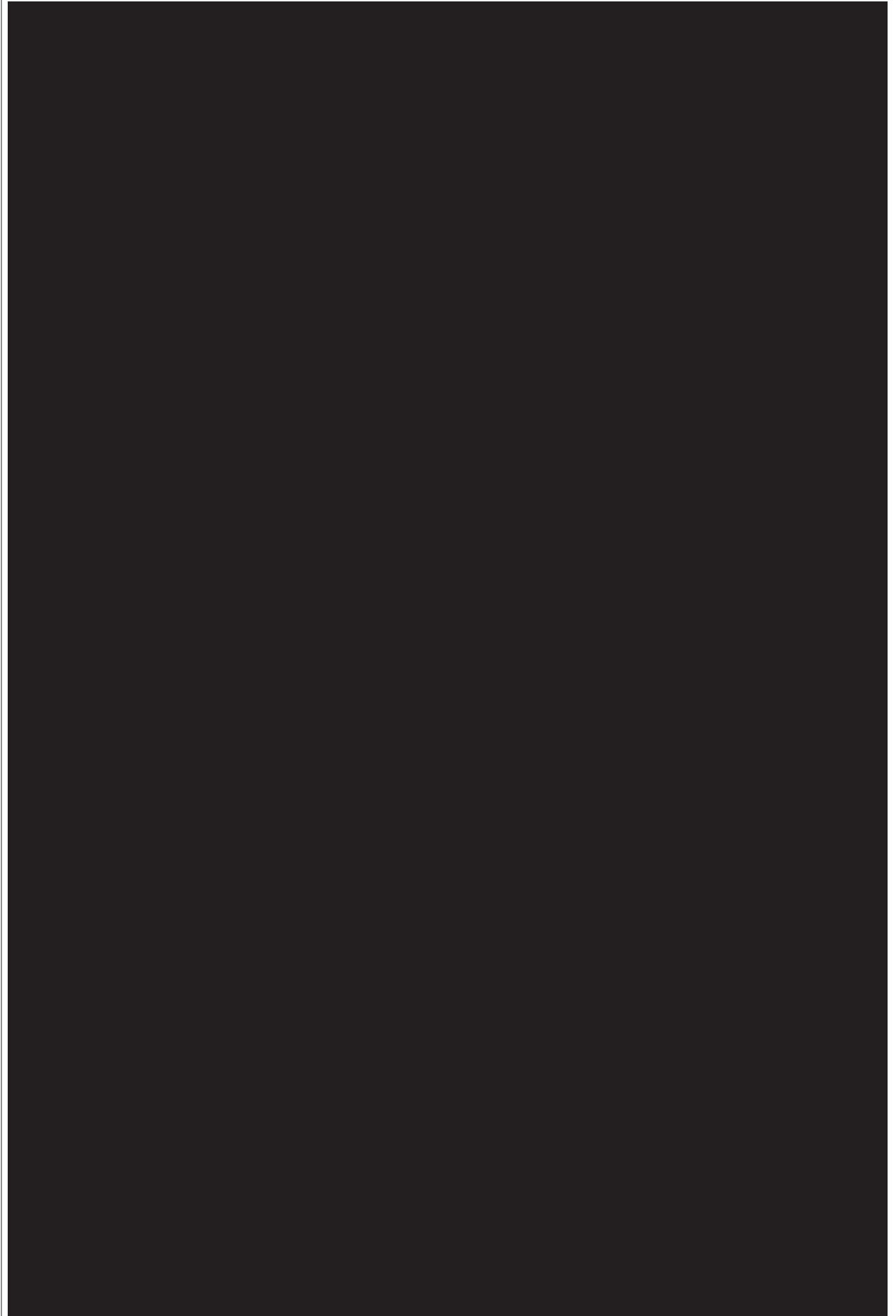
17 MR. MATTHEWS: Objection.

18 THE WITNESS: I'm not sure what you mean.

19 (Anda Exhibit 8 was marked for  
20 identification.)

21 BY MR. NOVAK:

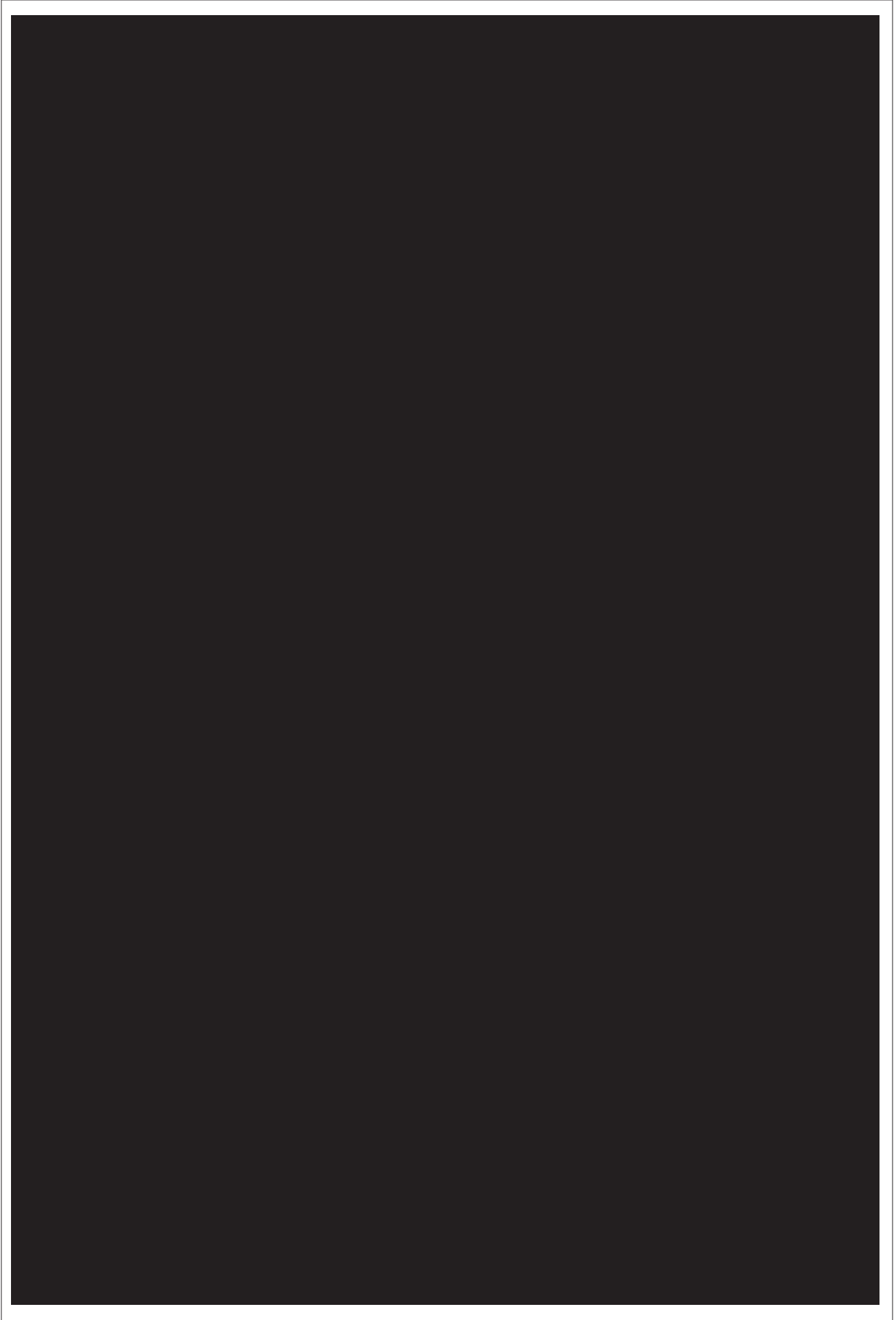
[REDACTED]

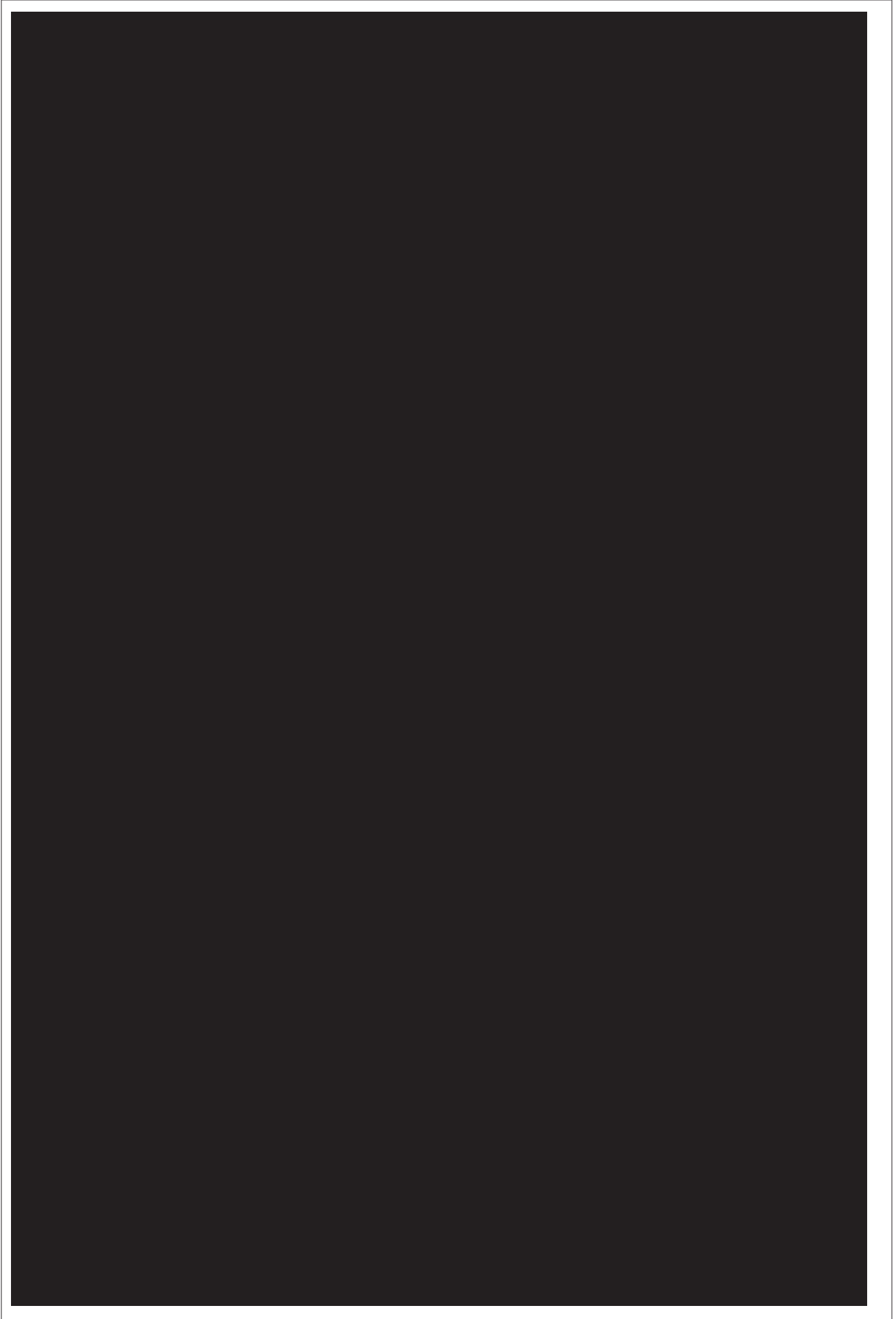




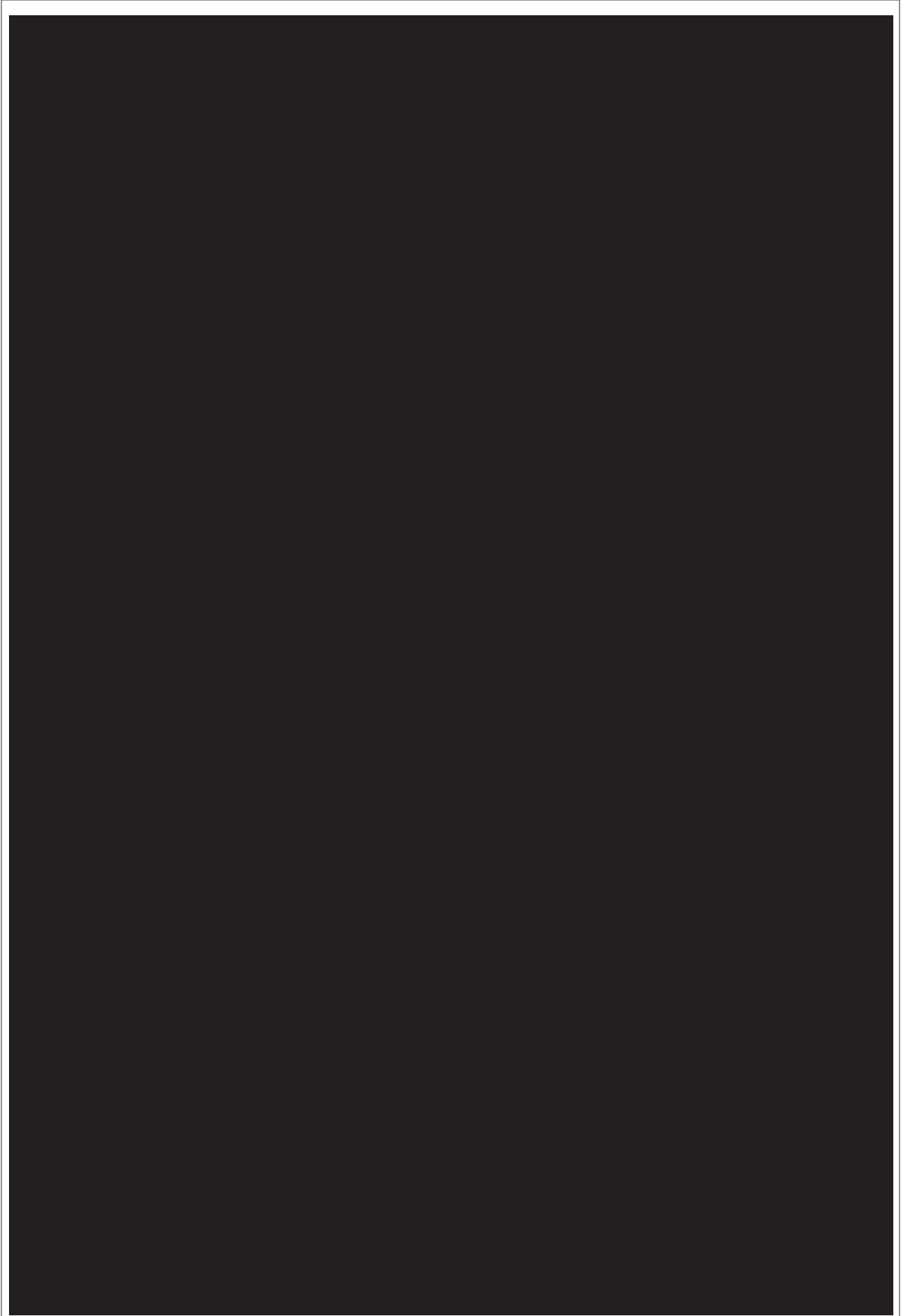


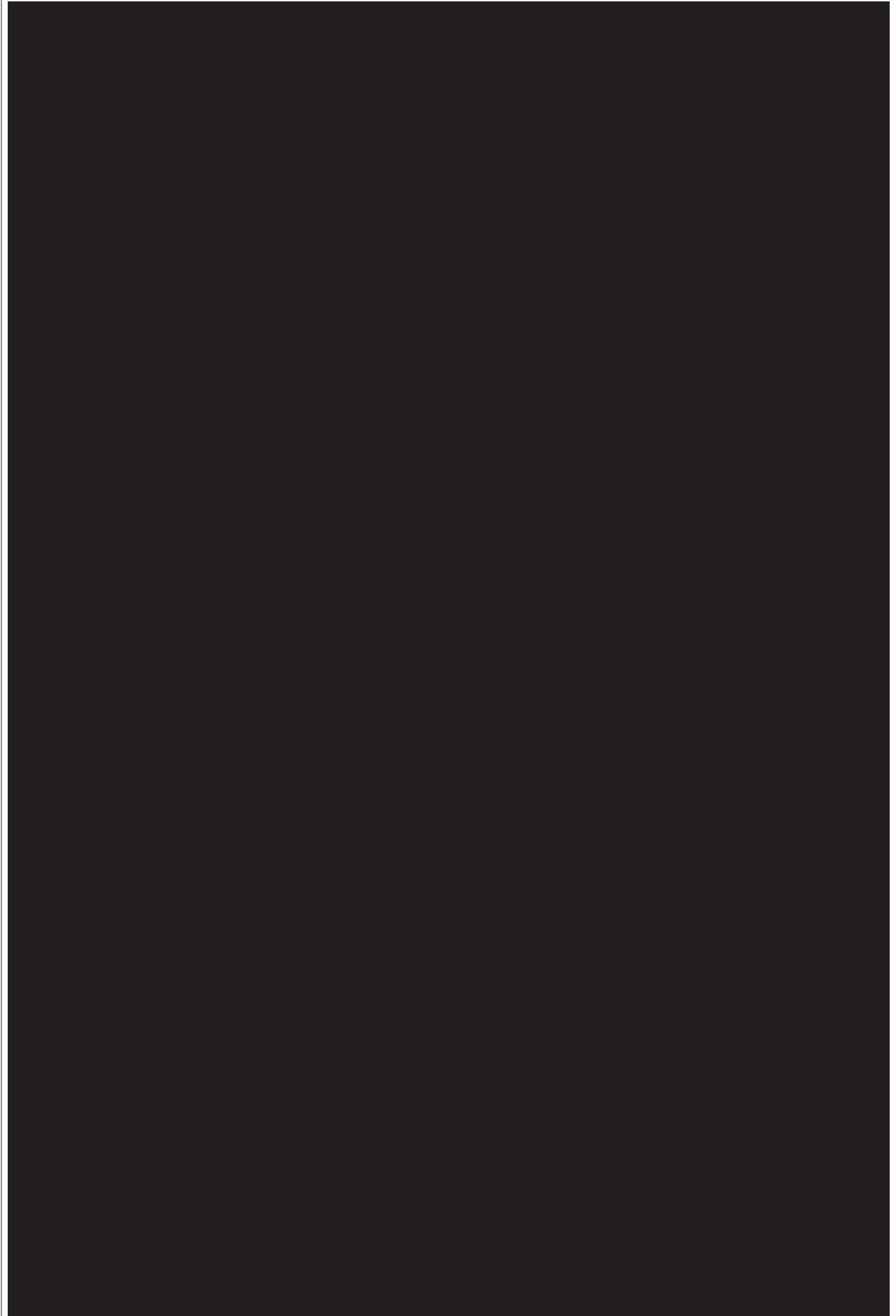


















[REDACTED]

3                   MR. NOVAK: This is something we can talk  
4                   about off the record. You have made your  
5                   clarifying comments.

6                   I -- I can tell you, we haven't found SOP 35,  
7                   but we -- we can discuss it at a break.

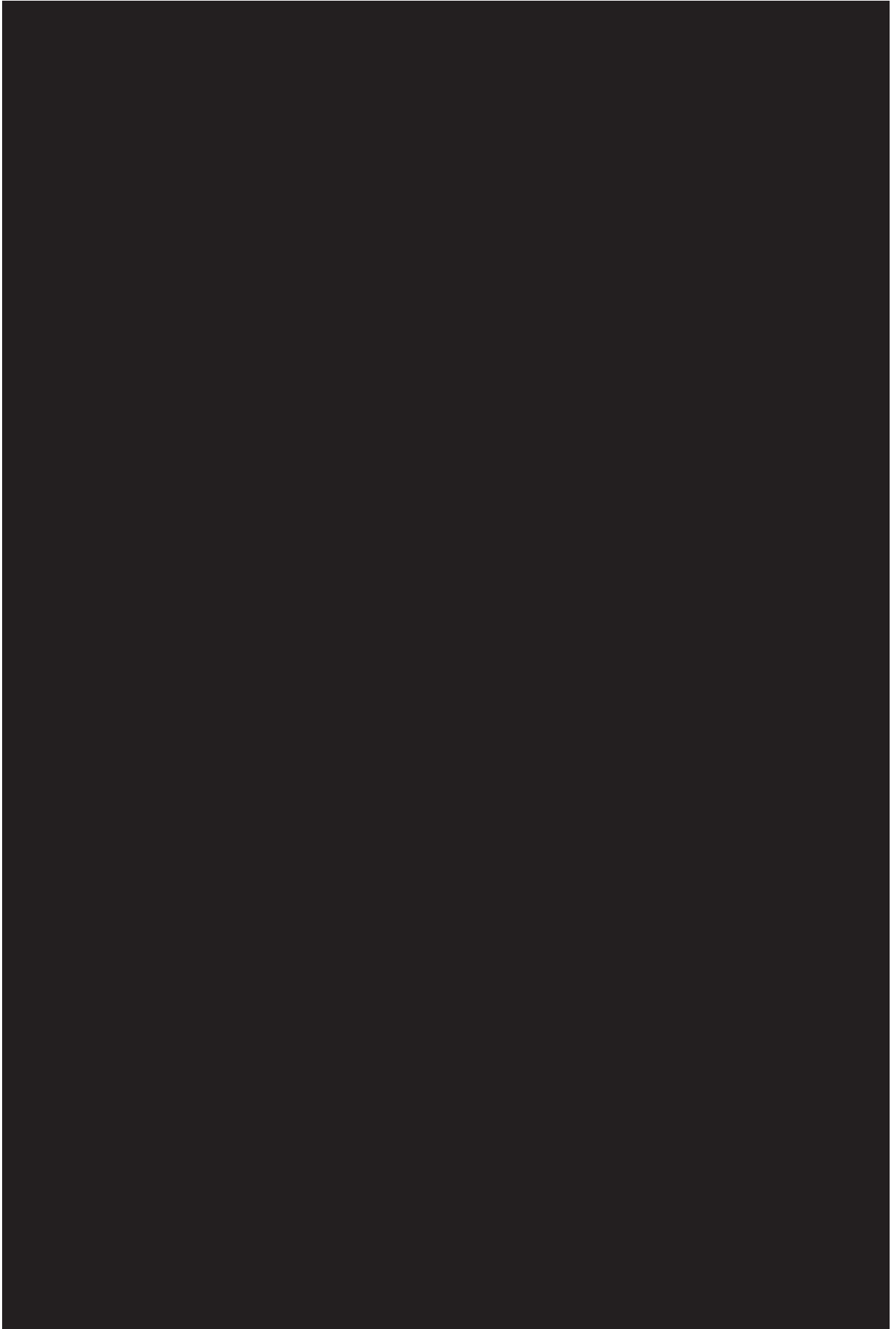
8                   BY MR. NOVAK:

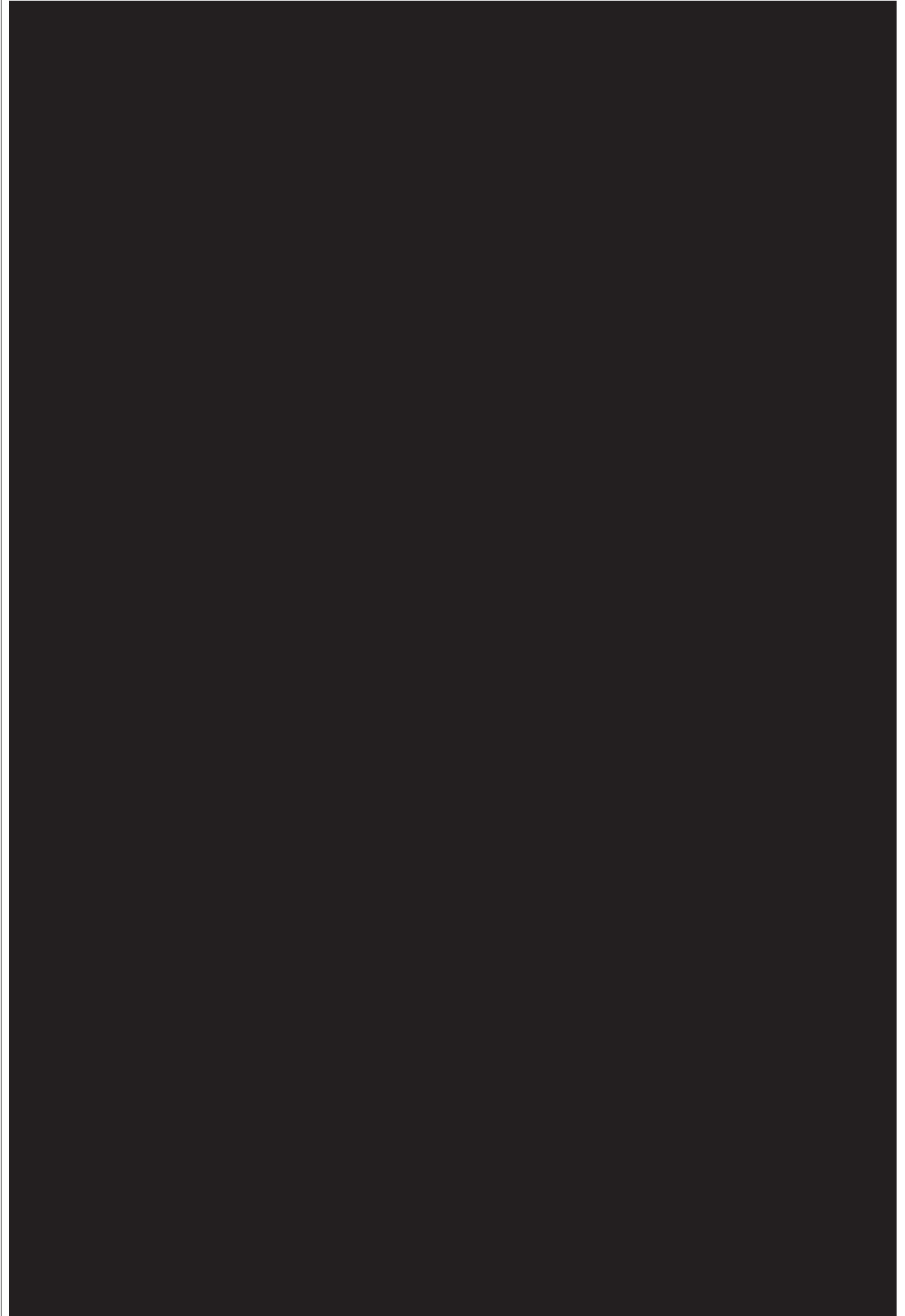
[REDACTED]













22           Q.    Okay.  You understand that Mr. Spellman  
23           ceased providing the periodic reports in that fashion  
24           after the 2007 meeting?



1 MR. MATTHEWS: Objection.

2 THE WITNESS: Yes, I do.

3 BY MR. NOVAK:



12 Q. Okay. We haven't spoken much yet today about  
13 Anda's practices of submitting suspicious order  
14 reports to the DEA at different points in time.

15 Can you describe for me, starting in 2006,  
16 what the practice of -- of submitting suspicious  
17 order reports to the DEA entailed?

18 A. There were weekly suspicious order reports,  
19 and I believe there were monthly excessive order  
20 reports, both that had mathematical formulas looking  
21 at what that customer's purchase history had been in  
22 either a rolling 3-month period or a rolling 12-month  
23 period respectively to the suspicious and/or  
24 excessive reports.

1           Q.    Okay.  For the suspicious -- and these were  
2   reports that were submitted to the DEA in 2006 and  
3   -7, correct?

4           A.    To the local offices, yes.



20           Q.    Okay.  Do you know what the multiples were  
21   that would have flagged an order as suspicious for  
22   purposes of reporting it in those documents in the  
23   '06/'07 time frame?

24           A.    Not exactly, no, I don't.

1 Q. Okay. And then reports in that form ceased  
2 in the summer of '07, correct?

3 A. They did. After the discussions that we had  
4 with Washington headquarters and the guideline of  
5 5,000 dosage units per month was given to us by the  
6 DEA, we deemed that we no longer had suspicious  
7 orders so long as we kept them underneath there  
8 and/or we could justify why a customer would get more  
9 based on his business practices and his data.

10 MR. NOVAK: Why don't we take a break. And  
11 I'm thinking a lunch break.

12 THE VIDEOGRAPHER: The time is 12:12. We're  
13 going off the record.

14 (Recess from 12:12 until 1:05 p.m.)

15 MR. MATTHEWS: Before we start, we had a  
16 discussion about whether OPS was in the  
17 production.


18 Yes, 35 was contained in the production of  
19 this case. I have found and printed for  
20 Mr. Novak's use at this deposition documents  
21 bearing Bates numbers Anda\_Opioids\_MDL\_000277385  
22 through 386. It is OPS 35, which was produced  
23 roughly five months ago, I believe.

24 MR. NOVAK: Might as well mark it now.


1                   (Anda Exhibit 9 was marked for  
2     identification.)

3     BY MR. NOVAK:

4           Q.     We've had marked as Anda Exhibit 9 the  
5     document that Mr. Matthews just identified with the  
6     Bates Number, and I'll ask a couple follow-up  
7     questions with respect to it.







5           Q.    Okay.  And in the exercise of their  
6           discretion, if they thought that a percentage ratio  
7           of controlled substance sales to noncontrolled  
8           substance sales was too high, then they would send a  
9           customer questionnaire to the customer to have them  
10          fill it out?

11          A.    Perhaps.  It might not be the only reason  
12          they sent a questionnaire.  There may have been a  
13          questionnaire already on file.

14          Q.    Okay.  That's all I have for -- for that.

15                  Going back to Anda Exhibit 8, however --

16          A.    Okay.





4           Q.     Okay.  The EDI orders that you referenced,  
5           that is relegated to the context of large orders from  
6           wholesalers or other entities, or can anyone place an  
7           EDI order?

8                     MR. MATTHEWS:  Objection.

9                     THE WITNESS:  No, that is not correct.  It's  
10           not in relationship necessarily to large orders.  
11           It could be referencing large customers,  
12           customers that have large systems.  It's not  
13           necessarily just a wholesale order.

14       BY MR. NOVAK:

15           Q.     Okay.

16           A.     For example, Walgreens transmits orders to us  
17           from the store level to Anda via EDI.  There are  
18           thousands of them per day.

19           Q.     Okay.  How many of Anda's customers typically  
20           order their controlled substances through the EDI  
21           ordering --

22                     MR. MATTHEWS:  Objection.

23       BY MR. NOVAK:

24           Q.     -- process?

1           A.    Very few customers.

2           Q.    Okay.

3           A.    I mean, aggregate, Walgreens is a customer.

4    Their individual locations have the ability to order

5    Schedules III through V via EDI.

6           Q.    All right.  In addition to Walgreens, who

7    else orders controlled substances from Anda through

8    EDI?

9           A.    There are various other retail customers.

10          Q.    Okay.

11          A.    I can't think of any names specifically.

12          Q.    Okay.

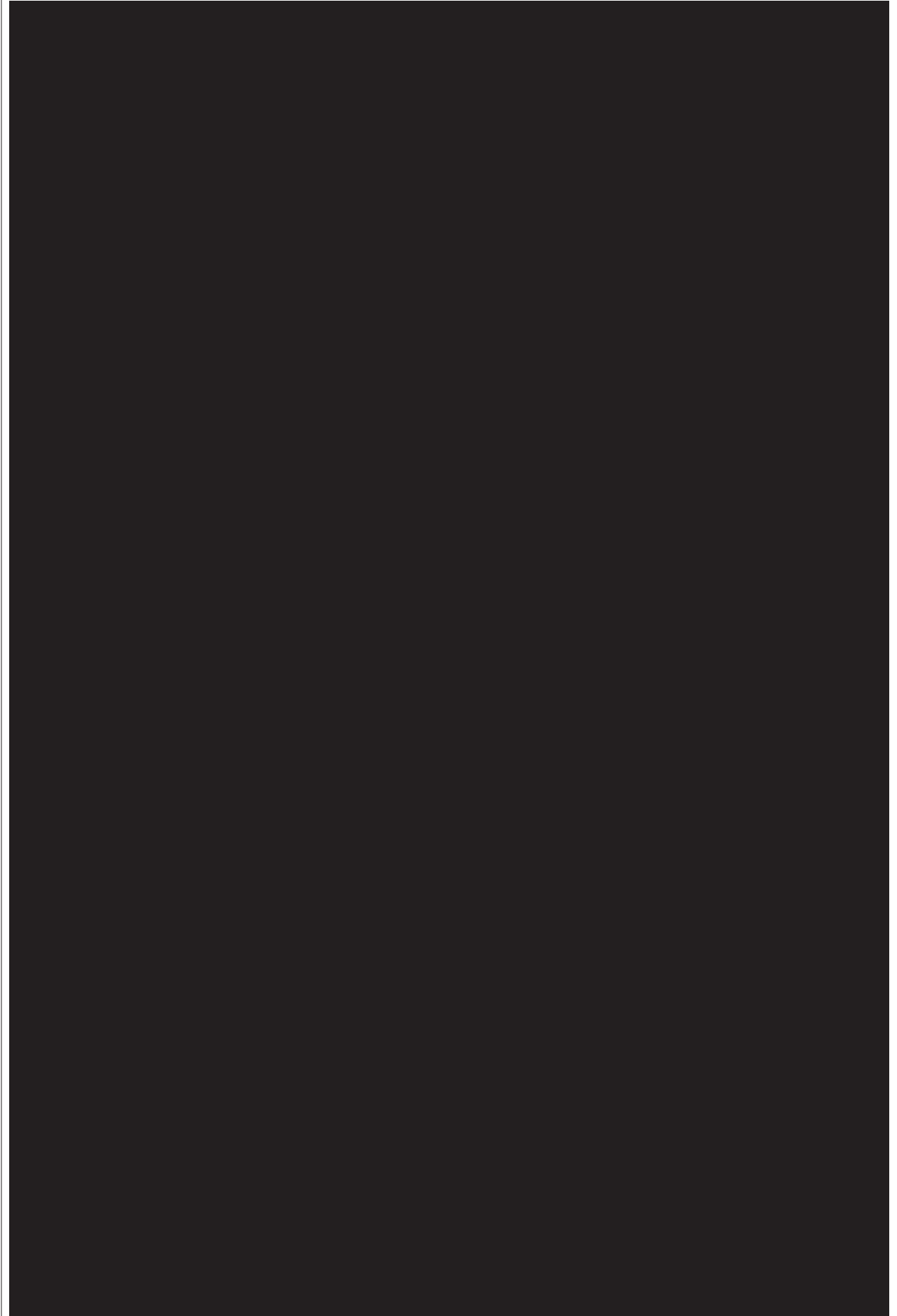
13          A.    There are some chains.  Thrifty White orders

14    via EDI.  It's usually the chain customers that have

15    central purchasing systems.









1 BY MR. NOVAK:

2 Q. Okay.

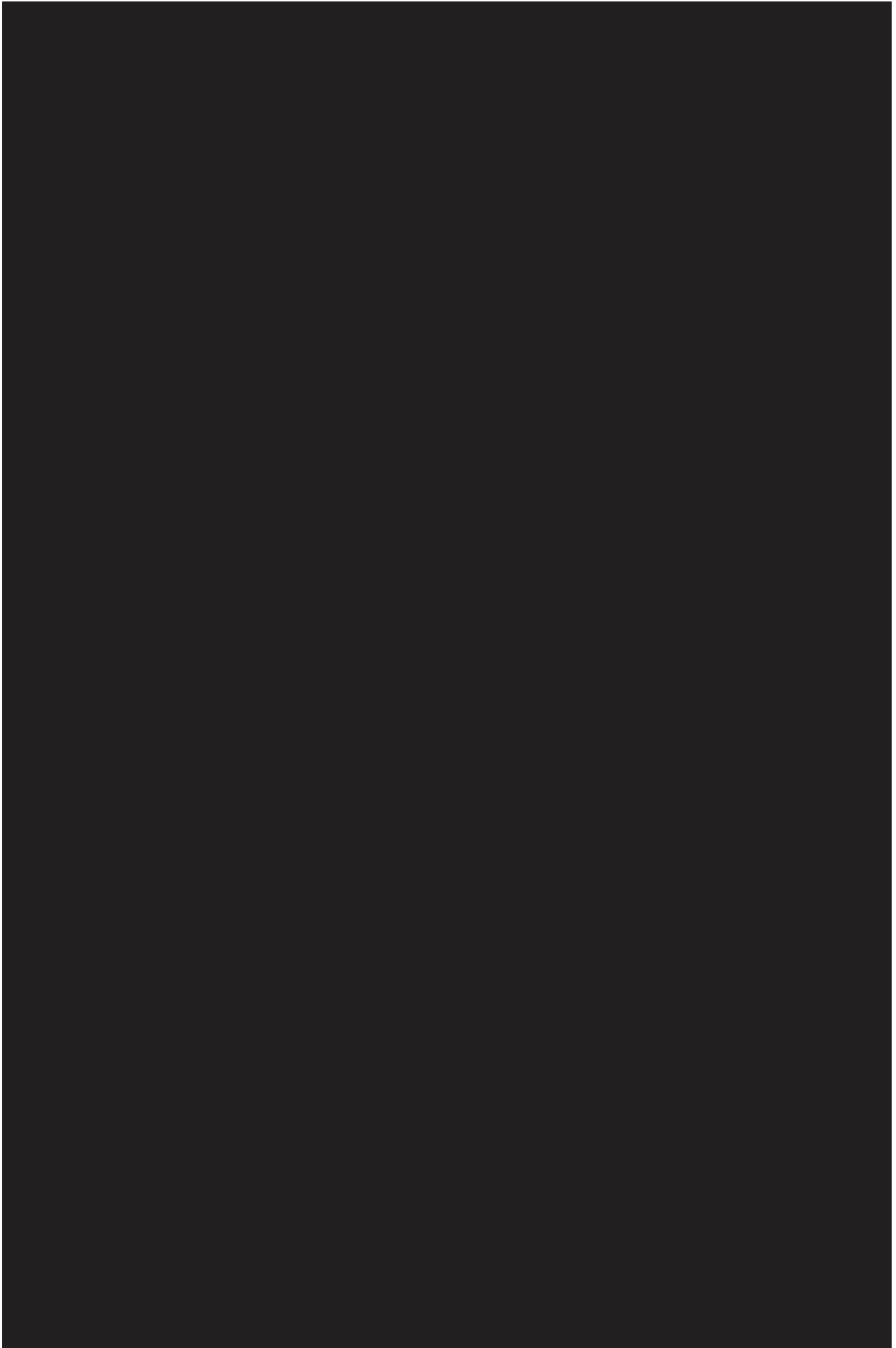
3 (Anda Exhibit 10 was marked for  
4 identification.)

5 BY MR. NOVAK:



















6 (Anda Exhibit 12 was marked for  
7 identification.)

8 BY MR. NOVAK:



21 Q. Okay. Well, let's talk more generally about  
22 the use of revision histories at the end of standard  
23 operating procedures at Anda.

24 In instances where modifications to Anda's

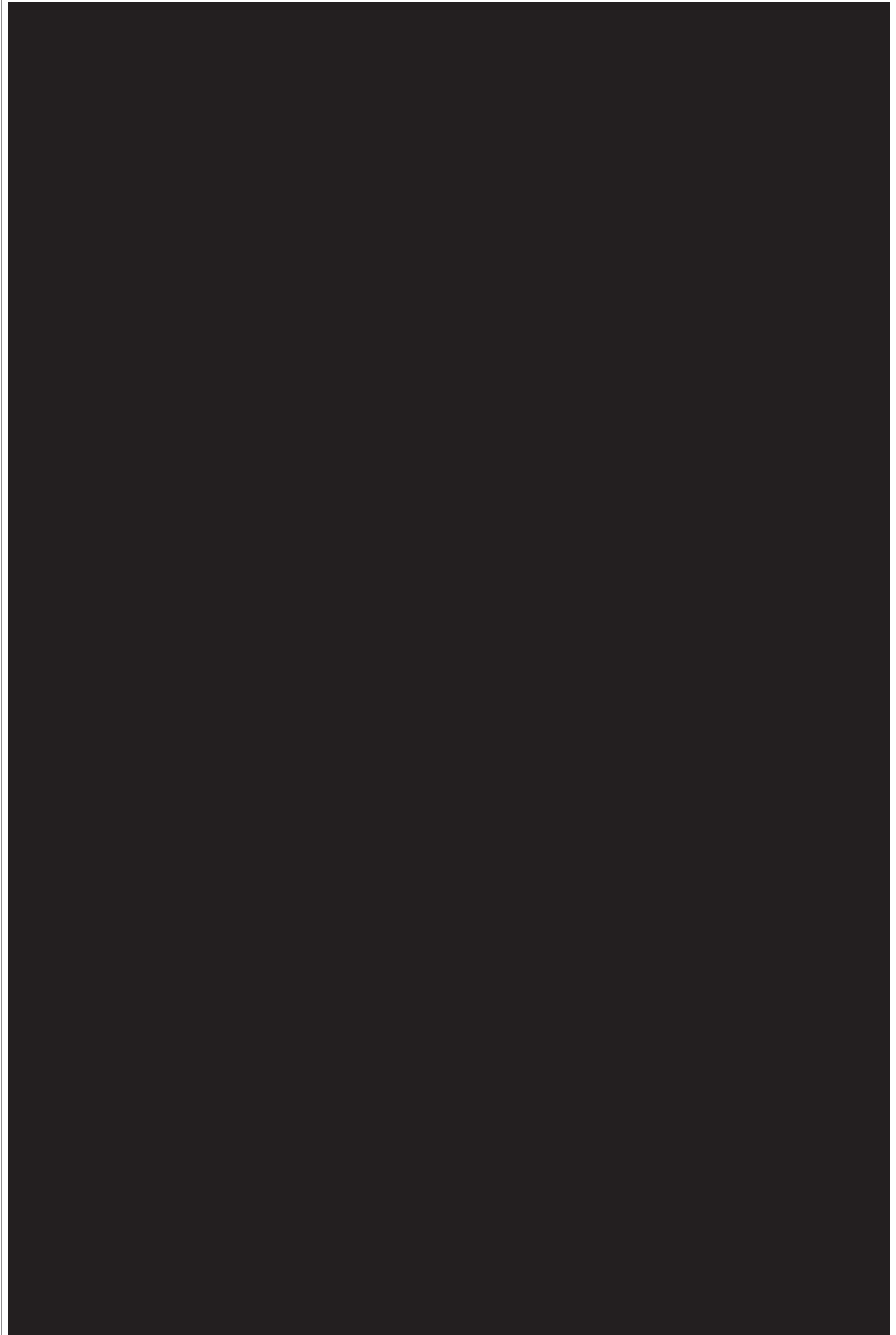
1 procedures are made, are those modifications  
2 reflected in the change description column of the  
3 revision history?

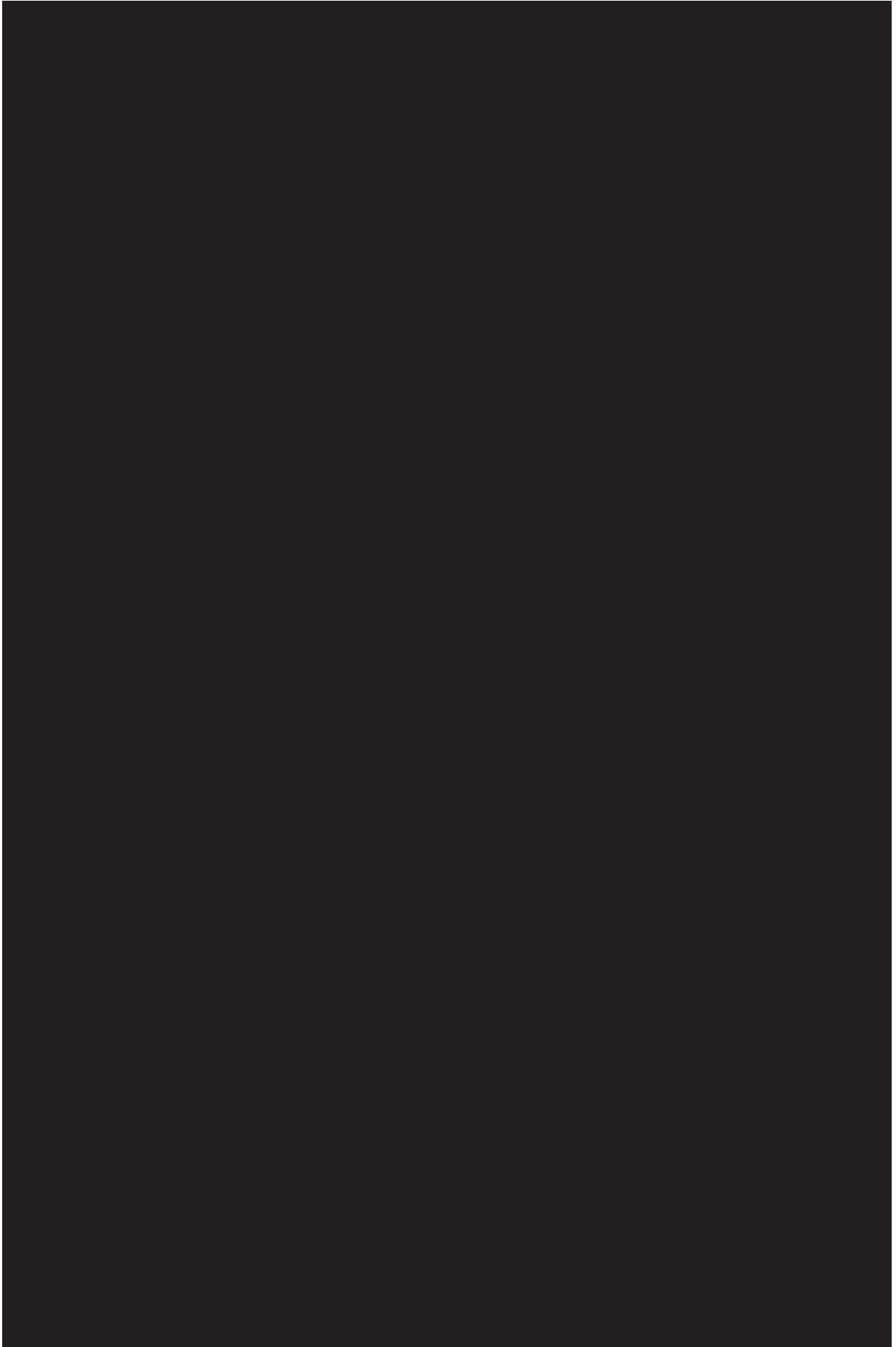
4 A. I can't say that they always are.

5 Q. Okay. So there are instances where there may  
6 be a modification to the -- to the standard operating  
7 procedure and it is not reflected in the change  
8 description column?

9 A. That could be incorporated into the review  
10 description.







1                   (Anda Exhibit 13 was marked for  
2    identification.)  
3    BY MR. NOVAK:



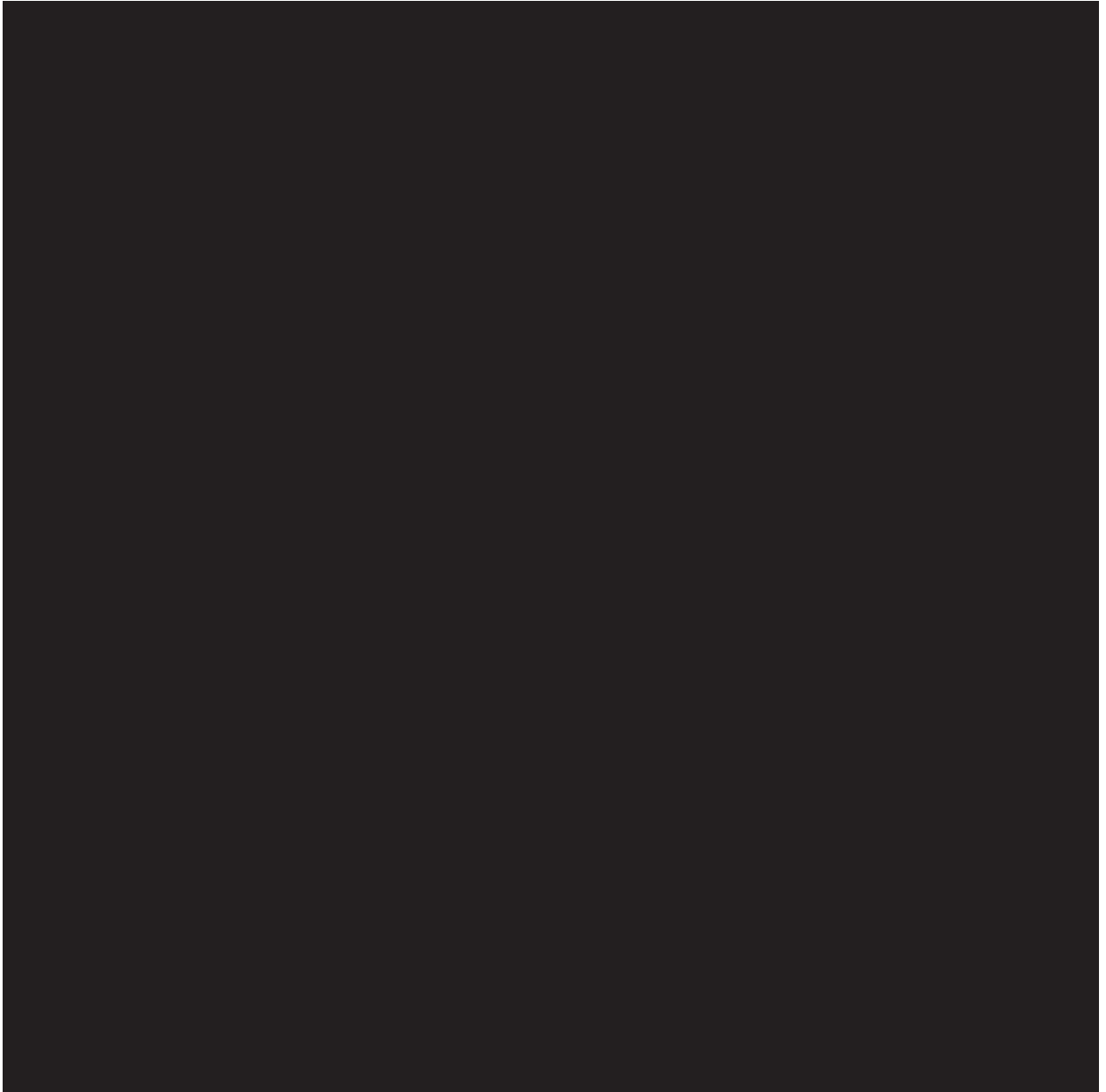


14           Q.    Is there a period of -- well . . .

15                   (Anda Exhibit 14 was marked for  
16    identification.)

17    BY MR. NOVAK:





17 MR. NOVAK: I think that's all I have for

18 SOP 28.

19 Why don't we take a quick break so I can get  
20 the next batch of documents.

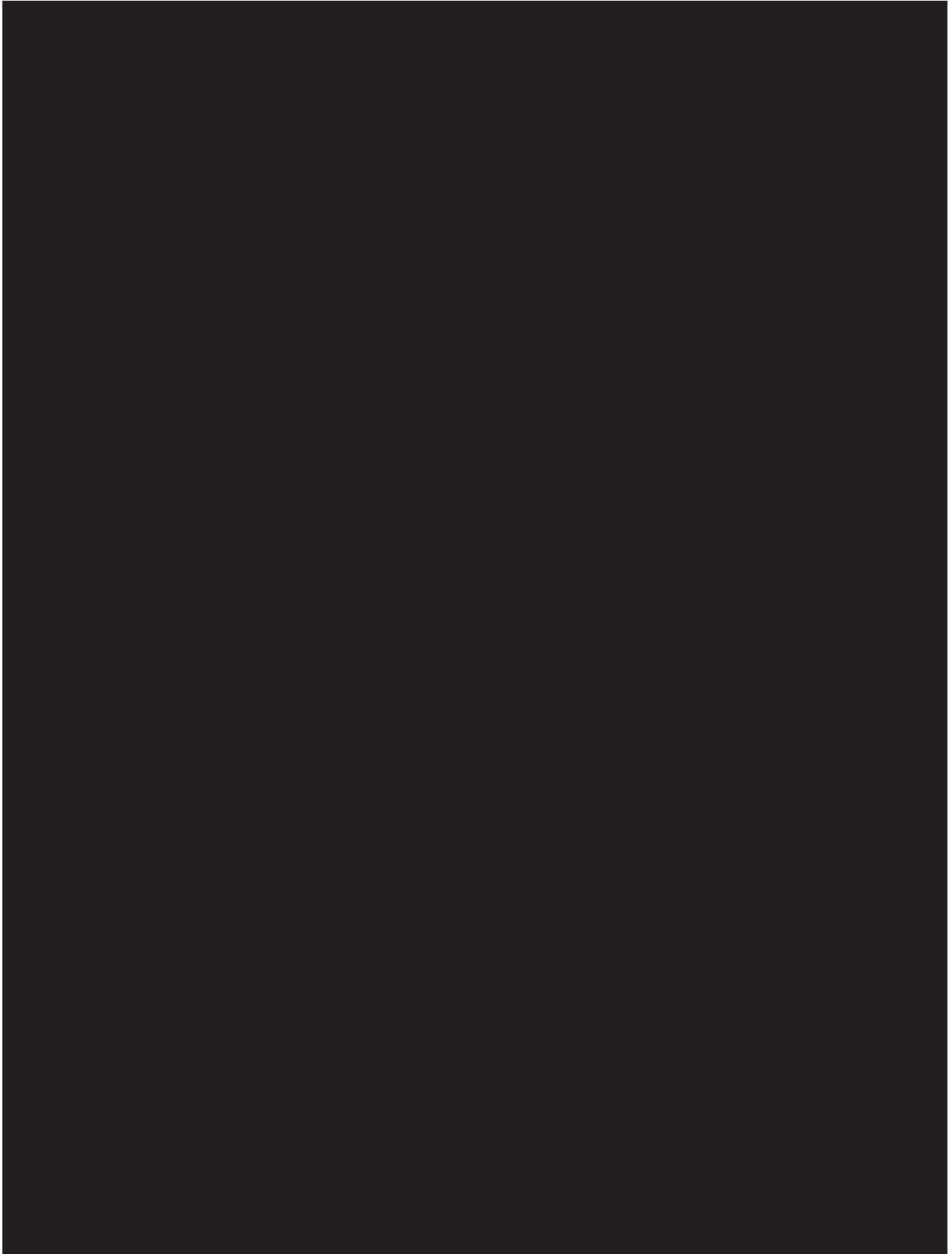
21 THE VIDEOGRAPHER: Off the record at 1:51.

22 (Recess from 1:51 until 1:58 p.m.)

23 (Anda Exhibit 15 was marked for  
24 identification.)



1                   THE VIDEOGRAPHER: The time is 1:58 p.m. We  
2                   are now back on the record.  
3           BY MR. NOVAK:







[REDACTED]

2           Q.    Okay.  I'm saying prior to this version that  
3           existed in April of 2012, was there an automated  
4           version of a suspicious order monitoring system  
5           embedded within into TPS?

6           A.    Yes.  I believe it went into effect in  
7           December of '11.

[REDACTED]

15           Q.    Okay.  Can you explain for me in your own  
16           words how the suspicious order monitoring system  
17           embedded within TPS as of April of 2012, when this  
18           document was created, how it would suspend or hold  
19           orders for review?

20                   MR. MATTHEWS:  Objection.

21                   THE WITNESS:  The mechanics of how it would  
22           do it?

23           BY MR. NOVAK:

24           Q.    Yes.

1           A.     After the order was entered in TPS, it would  
2     go against these -- the programming that was put in  
3     place to monitor those four bullets.  If one of those  
4     or more of those triggers were hit, the order would  
5     go on hold.

6           Q.     Okay.  And once it went on hold, what would  
7     the process for reviewing the order to make a  
8     determination as to whether it could be released to  
9     the customer, how was that process performed?

10          A.     It was performed by compliance analysts  
11     within the compliance departments, as outlined in  
12     this document.

13          Q.     Okay.  What were the steps -- once an order  
14     was held as an order of interest, what were the steps  
15     that someone in the compliance department would  
16     undertake in order to determine whether to ship the  
17     order to the customer or suspend it?

18                 MR. MATTHEWS:  Objection.





12           Q.    Okay.  So a compliance employee would  
13           determine whether the order had been stopped based  
14           on -- or -- or figure out which of the metrics was  
15           the basis for holding the order to begin with.

16                   MR. MATTHEWS:  You have to say "yes" or "no."

17                   THE WITNESS:  Yes.

18           BY MR. NOVAK:



22           Q.    Okay.  And the information that they were  
23           looking at in TPS was first to pay attention to what  
24           city or state the request from the customer came

1 from, and then also to determine if a customer  
2 questionnaire was on file?

3 A. Yes.



10 Q. Is it your understanding that Anda had  
11 customers as of this time who had been grandfathered  
12 into control eligibility?

13 MR. MATTHEWS: Objection.

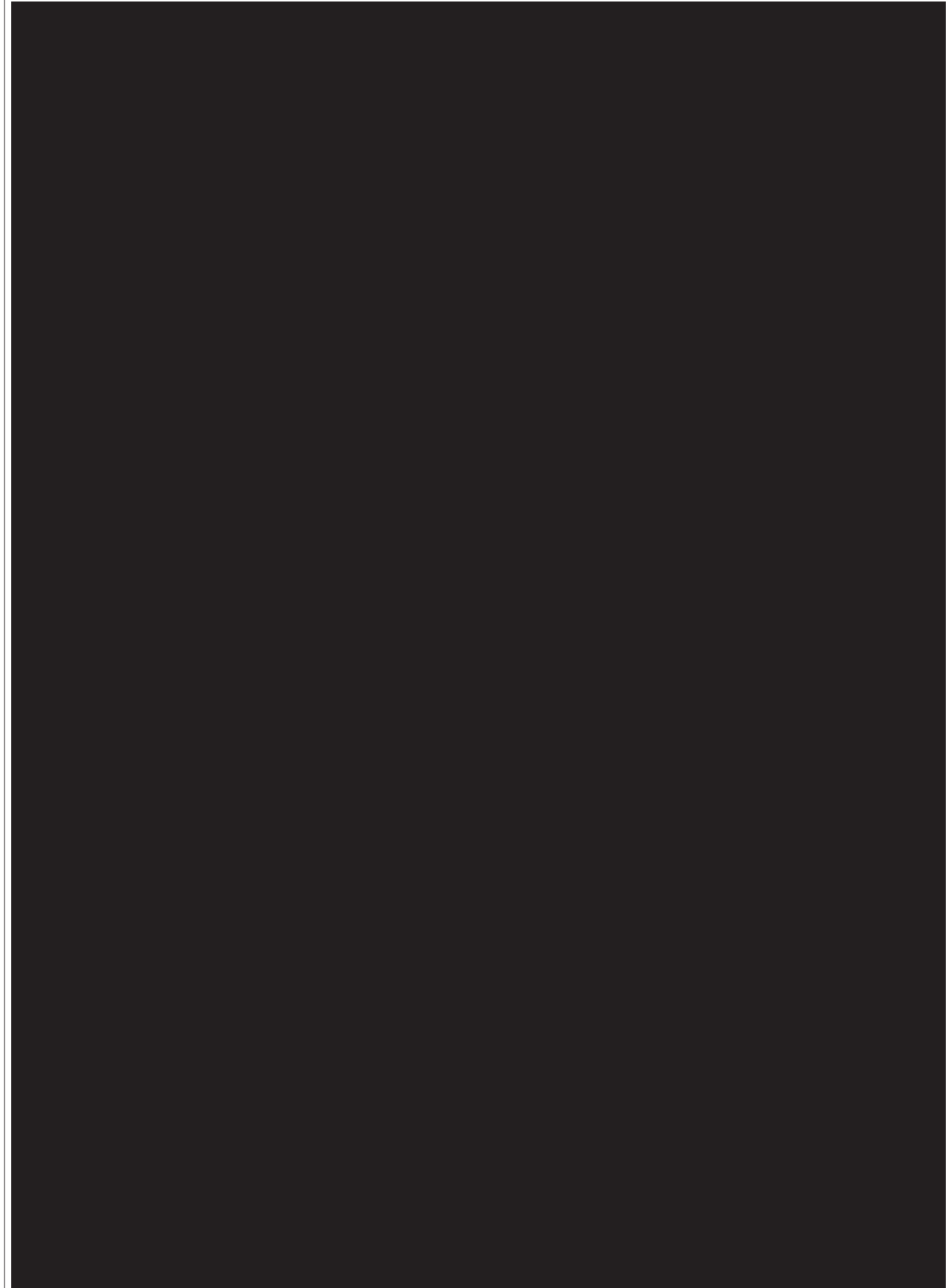
14 THE WITNESS: It is not, but it is certainly  
15 possible depending on what their history had been  
16 and whether or not we had questionnaire or data  
17 on file.

18 BY MR. NOVAK:

19 Q. Did you have an understanding as to a  
20 grandfathering process that existed for old customers  
21 of Anda?

22 A. Generally, a grandfathered customer would be  
23 someone who had access to controls prior to one of  
24 the events that were outlined as part of our evolving

- 1 process of eligibility for customers to have control
- 2 access.







20           Q.     That's all I have for 15.

21                     (Anda Exhibit 16 was marked for

22     identification.)

23     BY MR. NOVAK:





20                   (Anda Exhibit 17 was marked for  
21       identification.)

22       BY MR. NOVAK:

23               Q.     We've had marked next Anda Exhibit 17, which  
24       is a document bearing the Bates numbers Anda 571720

1 through 723, and I only have one question, I think,  
2 with respect to Anda Exhibit 17.

3 Is this a document that Anda received as a  
4 registrant under the Controlled Substances Act on or  
5 about February 7th of 2007?

6 A. Yes, I believe everybody received this --  
7 every registrant received it.

8 Q. Okay.

9 (Anda Exhibit 18 was marked for  
10 identification.)

11 BY MR. NOVAK:

12 Q. We have next marked Anda Exhibit 18, which is  
13 a document bearing the Bates Number Anda 276156  
14 through 276157 and is a two-page document from Joseph  
15 Rannazzisi at the Department of Justice Drug  
16 Enforcement Administration to -- addressed to Anda.

17 Is this a document that Anda received from  
18 the Department of Justice Drug Enforcement  
19 Administration on or about December 27th of 2007?

20 A. Yes.

21 Q. Do you know if Anda Exhibits 17 and 18 were  
22 reviewed by the individuals in Anda's compliance  
23 program for purposes of administering their  
24 suspicious order monitoring system?

1 MR. MATTHEWS: Objection.

2 THE WITNESS: Yes, I can confirm that they  
3 were reviewed. I don't know to what end and for  
4 what purposes.

5 BY MR. NOVAK:

6 Q. Mr. Cochrane, do you have a basic  
7 understanding of how rebates or chargebacks work at  
8 Anda?

9 A. Yes, I do.

10 Q. Can you describe for me first what a  
11 chargeback is?

12 A. A chargeback is a transaction between a  
13 wholesaler and a manufacturer to adjust cost based on  
14 what the sale price was of the said product,  
15 depending on the type of customer that the product  
16 went to.

17 Q. Okay. When you say "a transaction between a  
18 wholesaler and a manufacturer to adjust cost," whose  
19 cost is being adjusted?

20 A. The wholesaler's.

21 Q. Are you aware of instances where  
22 manufacturers provide a chargeback payment or a  
23 rebate payment to a wholesaler in exchange for  
24 receiving certain information from the wholesaler?

1 MR. MATTHEWS: Objection.

2 THE WITNESS: Yes, but I wouldn't describe  
3 that as a chargeback or a rebate.

4 BY MR. NOVAK:

5 Q. How would you describe that?

6 A. There are specific clauses in vendor  
7 manufacturer contracts that allow for payment of  
8 money specific to data.

9 Q. Okay.

10 A. Commonly referred to as DSA fees.

11 Q. In terms of how those DSA fees are  
12 administered, are they sometimes, in terms of the  
13 revenue flow, managed in the same manner as a  
14 chargeback?

15 MR. MATTHEWS: Objection.

16 THE WITNESS: I'm not sure if it's the exact  
17 same manner. There's a separate transaction for  
18 it. I don't believe that they're blended  
19 together.

20 BY MR. NOVAK:

21 Q. Are you aware of whether Anda maintains or  
22 receives rebate payments from Mallinckrodt?

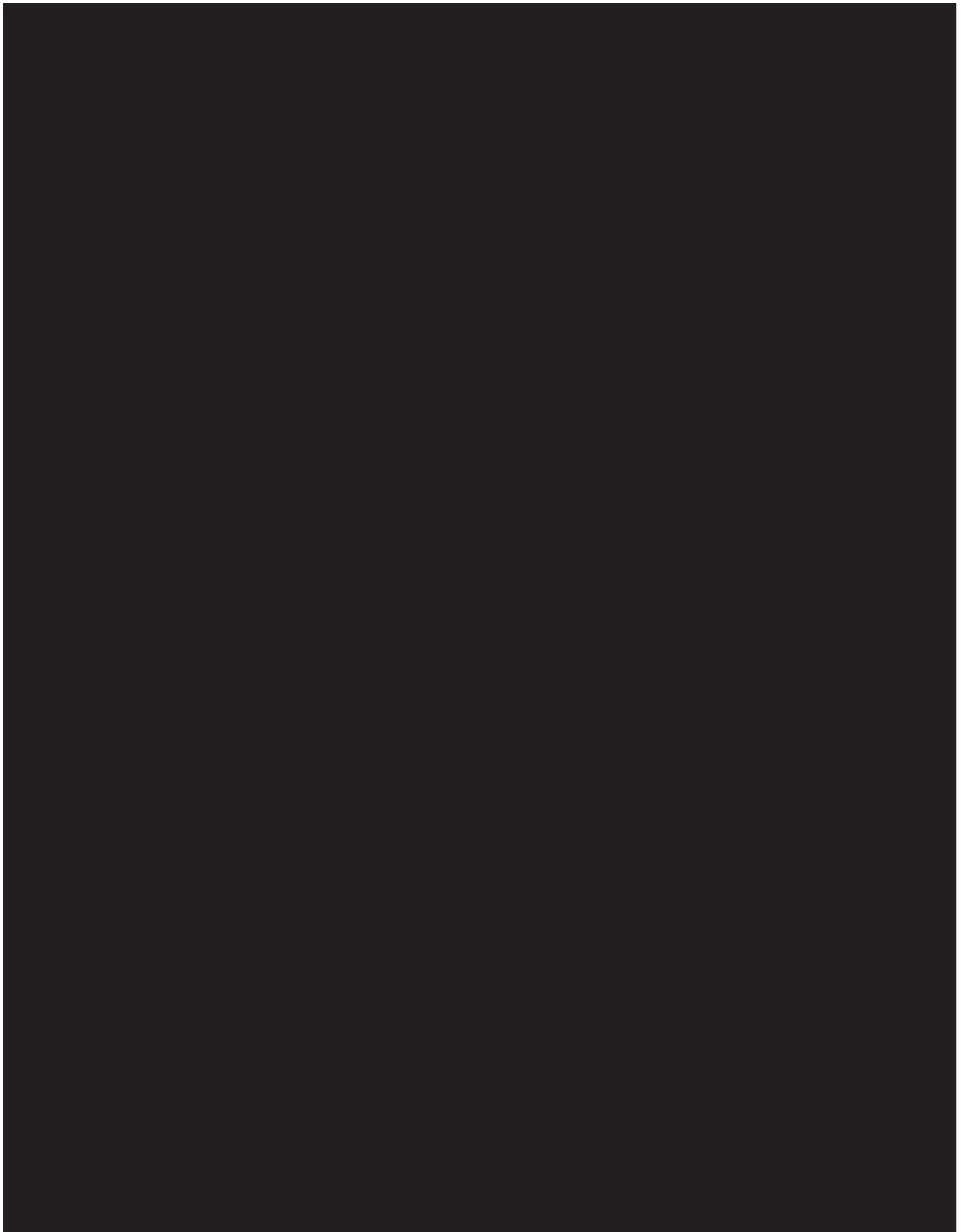
23 A. I couldn't say for sure. I don't know the  
24 structure of our deal with Mallinckrodt at that level

1 of detail.

2 (Anda Exhibit 19 was marked for

3 identification.)

4 BY MR. NOVAK:





4 BY MR. NOVAK:

5 Q. Okay. Has Anda at different times considered  
6 the use of or requested access to information about  
7 customers from different manufacturers to be utilized  
8 as part of the operation of Anda's suspicious order  
9 monitoring system?

10 A. I don't have specific knowledge about that.  
11 I know that there was a request for data and  
12 purchases directly to DEA post the 2007 meetings that  
13 we had with them.

14 Q. Okay.

15 A. I don't know about specifics to  
16 manufacturers.

17 Q. Are you aware of whether Anda has requested  
18 information from the parent companies that have owned  
19 it at various times for purposes of implementing  
20 Anda's suspicious order monitoring system?

21 A. I don't believe specifically to implementing  
22 a system. I believe there have been requests for  
23 information about customers that we may have had in  
24 common with our parent manufacturer.

1 Q. Where you would obtain information about the  
2 customer you had in common from Watson or Actavis or  
3 Teva?

4 A. Correct.

5 Q. In those instances, were you able to access  
6 information from Watson or Actavis or Teva for  
7 purposes of assisting the implementation of Anda's  
8 suspicious order monitoring system?

9 MR. MATTHEWS: Objection.

10 THE WITNESS: We have never had access to any  
11 system or data at the parent.

12 BY MR. NOVAK:

13 Q. Have the parent -- I'm sorry.

14 Well, that answers it as to the parent.

15 How about for other manufacturers?

16 A. We don't have access to other manufacturers'  
17 data.

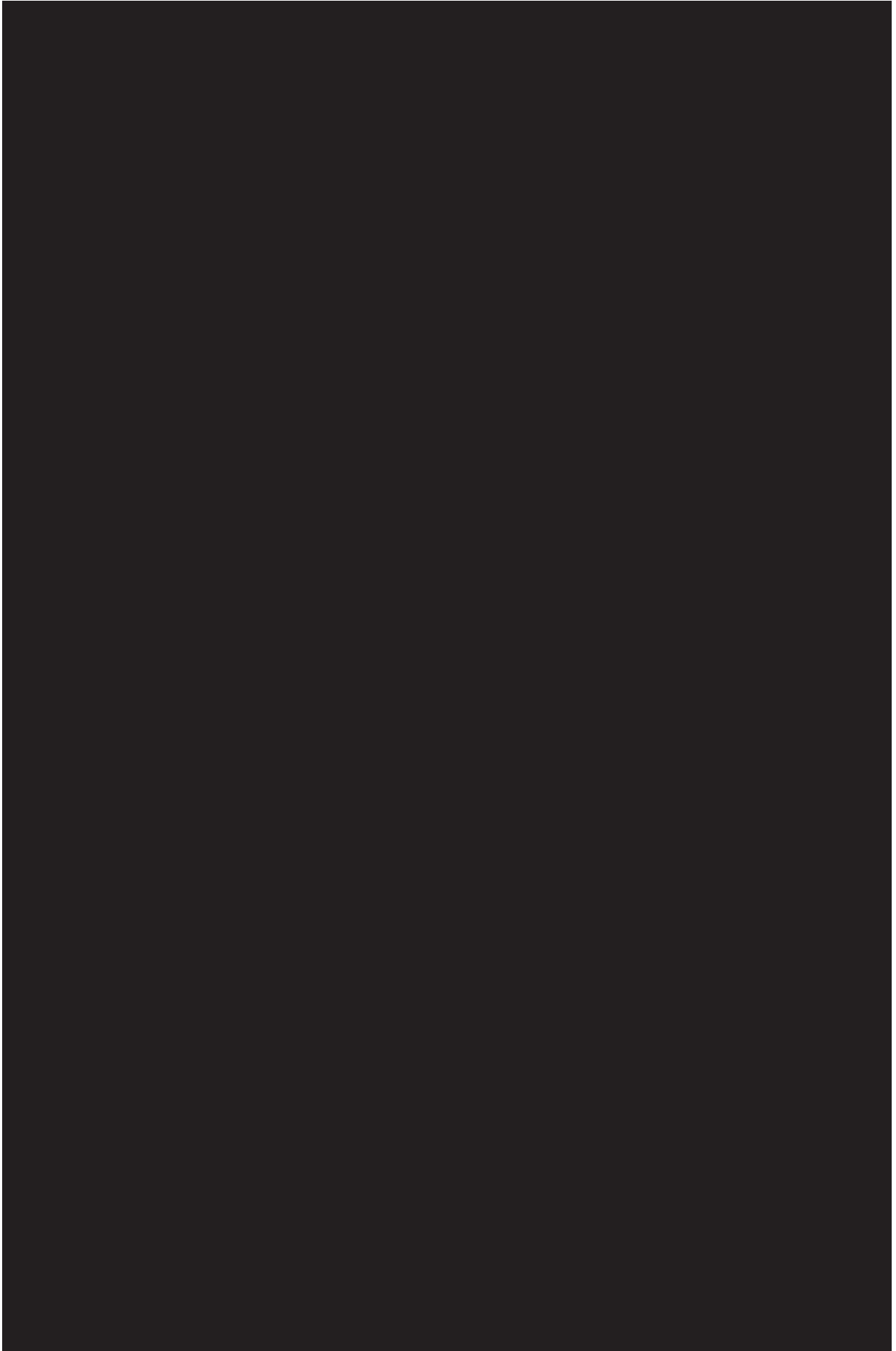






20 (Anda Exhibit 20 was marked for  
21 identification.)  
22 BY MR. NOVAK:





15           Q.     Okay. Can you explain to me what information  
16     would be available to Mallinckrodt by virtue of their  
17     chargeback process with Anda that would assist them  
18     in analyzing 15- and 30-milligram oxycodone  
19     utilization?

20           MR. MATTHEWS: So I'm going to object to this  
21     as outside the scope of the 30(b)(6) notice.  
22     There's nothing in your notice that purports to  
23     require us to educate a witness to talk about  
24     Mallinckrodt's information.

1 I'll also object on the ground that to the  
2 extent you have purported to ask us -- ask him  
3 based on his personal knowledge, there is no  
4 foundation that he has any information about what  
5 was in Mallinckrodt's mind, what Mallinckrodt  
6 understood.

7 But if you want to go ahead and speculate for  
8 Mr. Novak, please feel free to do so.

9 MR. NOVAK: Well, James, that one was a  
10 whopper of a speaking objection that violates the  
11 protocols that are in place in this proceeding.

12 And there is a category within the 30(b)(6)  
13 requests with respect to rebate programs. It's  
14 Number 11.

15 MR. MATTHEWS: The information that  
16 Mallinckrodt obtained from other distributors and  
17 wholesalers about chargebacks has nothing to do  
18 with any rebate agreement between Anda and  
19 Mallinckrodt or anybody else.

20 I understand that you guys are interested in  
21 rebates and chargebacks and how they work, but  
22 you should ask Mallinckrodt what its knowledge is  
23 about what information it obtained from  
24 chargebacks and rebates. You shouldn't be asking

1 my witness what Mallinckrodt got. It's -- you  
2 want to talk about patently beyond the scope of  
3 the reasonable rules, that is that.

4 BY MR. NOVAK:

5 Q. As part of the 30(b)(6) notice of deposition  
6 today, Mr. Cochrane, did you understand that one of  
7 the topics you were to be prepared to testify about  
8 is the rebate process between -- or chargeback  
9 process, as we've called it, as between manufacturers  
10 and Anda?

11 MR. MATTHEWS: You know, if we are going to  
12 get into a lawyer's fight on the record, that's  
13 not what your notice says. It doesn't say the  
14 chargeback process generally. There's one topic  
15 that relates to rebate agreements between Anda  
16 and any manufacturers. You want to ask him about  
17 rebate agreements between Anda and manufacturers,  
18 he is prepared to answer. Go ahead.

19 But asking him about what Mallinckrodt  
20 understood in connection with chargeback  
21 information it may or may not have obtained from  
22 other wholesalers is, you know, not within that  
23 topic and not within his personal knowledge.  
24 There is no foundation for him to offer that

1           testimony unless you can ask him and he says he  
2           talked to Mallinckrodt individuals personally and  
3           that's what they told him.

4                   MR. NOVAK: Somewhere in the record I have to  
5           find the actual pending question.

6   BY MR. NOVAK:

7           Q.    Okay. The question -- and I'll rephrase  
8           it -- is: Can you explain to me what information  
9           would be available to Mallinckrodt by virtue of  
10          their chargeback process with Anda that would assist  
11          in analyzing 15- and 30-milligram oxycodone  
12          utilization?

13          A.    The process related to chargebacks is not  
14          specific to oxycodone. It's not specific to  
15          controlled substances. It's specific to how the  
16          rules of engagement are with the manufacturer and the  
17          wholesaler.

18                   If the manufacturer sells that product to us  
19          at a price and there are indirect contracts or there  
20          are different price concessions offered to certain  
21          classes of trade and/or customers within certain  
22          classes of trade, Anda invoices at that price.

23                   Chargeback transaction is created back to the  
24          manufacturer to make us whole on what we paid for the

1 product versus what we sold it out at. That would be  
2 line item detailed data to the registrant to the  
3 location that Anda shipped the product to.

4 Q. When you say "line item detailed data" as  
5 part of that answer, what type of data would that be  
6 for purposes of administering the chargebacks?

7 A. The date of the transaction, a specific order  
8 or invoice reference number that was Anda's number,  
9 the customer that we shipped it to, the distribution  
10 center that we shipped it from, the item number, the  
11 item description possibly, and the quantity.

12 Q. Okay.

13 A. And of course the price.





5 BY MR. NOVAK:

6 Q. In fact, in 2012, wasn't Rite Aid the  
7 largest, if not one of the largest, customers of  
8 controlled substances of Anda?

9 A. Yes, they were. We had a specific program  
10 designed to allow them access to products that they  
11 otherwise were not receiving appropriate access to  
12 via the wholesale model.

13 We were their primary supplier on those  
14 products.

15 Q. Were controlled substances some of the  
16 products for which you were a primary supplier to  
17 Rite Aid?

18 A. Yes.

19 Q. In 2012?

20 A. Yes.

21 Q. All of their stores or only some?

22 A. Many of their stores. I can't say all of  
23 them.







5           Q.     Okay.  Was there any type of alternative  
6           system that was put in place as it related to Rite  
7           Aid?

8                     MR. MATTHEWS:  Objection.

9                     THE WITNESS:  System how?

10          BY MR. NOVAK:

11           Q.     In terms of evaluating the eligibility of  
12           Rite Aid stores for the purchase of controlled  
13           substances.

14           A.     There was extensive data review of Rite Aid  
15           usage.


16           Q.     More so than -- than other chains?

17                     MR. MATTHEWS:  Objection.

18                     THE WITNESS:  Rite Aid was -- was a chain.  
19           More so than other chains?  Not necessarily.

20          BY MR. NOVAK:





8           Q.    Do you know whether there were any Rite Aid  
9           stores such as this one in Tennessee that Anda  
10          determined they would not supply controlled  
11          substances to?

12           A.    There were definitely Rite Aid stores that  
13          Anda did not supply controlled substances to.  
14          Whether or not it was determined based on criteria  
15          like that or other, I'm not sure of.

16           Q.    Okay.  When you say you're definitely --  
17          there were definitely Rite Aid stores that Anda did  
18          not supply controlled substances to, was that based  
19          on a determination that they were declined for  
20          eligibility to purchase controlled substances, or for  
21          some other reasons?

22           A.    Yes, there were stores that were declined.









16 (Anda Exhibit 21 was marked for

17 identification.)

18 BY MR. NOVAK:



12 BY MR. NOVAK:

13 Q. Okay. When Anda performed review of  
14 dispensed data, what were the factors that they  
15 looked to to make a determination as to whether a  
16 particular retail store was appropriately eligible  
17 for controlled substance purchases in Anda's mind?

18 A. There were a number of factors. A lot of it  
19 came down to number of prescriptions, number of  
20 items, the types of items, the ranking of said items,  
21 the number of overall dispensed units, the quantity  
22 of dispensed units as a relationship to prescription  
23 size.

24 Q. I'd like to direct your attention to the page

1 of Anda Exhibit 21 that bears the Bates range 81568.

2 A. 81568?

3 Q. Yes.



15 MR. MATTHEWS: I'm going to object on the  
16 record at this point. And I'm going to give you  
17 some leeway here, but as you well know from the  
18 responses we filed and the meet and confers we  
19 had, we objected to preparing a witness to talk  
20 about any specific customers or transactions on  
21 the ground that to do so would be unduly  
22 burdensome given that it's about 12 years of  
23 history.

24 And we told you we weren't going to prepare a

1 witness to do that, and we have not prepared a  
2 witness to do that.

3 I appreciate that you want to put a document  
4 in front of Mr. Cochrane to ask him about the  
5 document, but to the extent you are purporting to  
6 ask him about the transactions, we told you in  
7 advance that if you told us which transactions  
8 you wanted to ask him about, we would prepare  
9 him. You chose not to do that with the exception  
10 of two customers. This was not one of them.

11 So I'll give you a little leeway, but I'm  
12 going to cut you off pursuant to our objections  
13 at some point.

14 MR. NOVAK: Okay.

15 He answered the last question, right?

16 MR. MATTHEWS: He did. He did. I did let  
17 him answer the question.

18 MR. NOVAK: Okay.

19 MR. MATTHEWS: And then I asserted my  
20 objection.

21 BY MR. NOVAK:

22 Q. Let me just talk or inquire generally.

23 If a particular retailer has four or five  
24 different opioid products as the top ten products



1       that they dispense, does that raise any red flags for  
2       the compliance personnel at Anda who are performing  
3       the review of whether a particular customer should be  
4       eligible for purchasing controlled substances?

5               MR. MATTHEWS:  Objection.

6               THE WITNESS:  Yes, it would.

7       BY MR. NOVAK:

8               Q.     Okay.  And why is that?

9               A.     That is part of the program that we put  
10       together is to evaluate their data and see what  
11       products they're dispensing.

12              Q.     And the higher the number of opioid products  
13       that are in their top ten, so to speak, the greater  
14       concern there is for Anda in terms of determining  
15       whether they are or should be eligible to purchase  
16       controlled substances?

17              A.     Yes.  It's a greater concern, and it's a  
18       trigger for receiving more information.

19              Q.     What type of additional information would  
20       Anda seek to receive if they already have the  
21       customer's dispensing data?

22              A.     Location demographics related to the  
23       surrounding areas.  Are they servicing nursing homes?  
24       Are they servicing hospitals?  Are they servicing

1       outpatient care centers? What is the proximity to  
2       other locations of pharmacies? And so on.

3           Q.     Okay. So if a particular retail store had a  
4       high number of opioid products in its top ten  
5       dispensed products, would you expect Anda to approve  
6       the store absent performing the additional type of  
7       due diligence that you just described?

8           MR. MATTHEWS: Objection.

9           THE WITNESS: I'm not sure. I'm not sure  
10       what other due diligence would be done before  
11       that.

12          MR. NOVAK: Okay.

13       BY MR. NOVAK:

14          Q.     The other forms of due diligence that would  
15       be performed by a compliance staff member at Anda in  
16       evaluating a -- a retail store that has a large  
17       number of opioid products in its top ten dispensing  
18       data, would you expect that additional due diligence  
19       to be located or recorded somewhere in the compliance  
20       department files?

21          MR. MATTHEWS: Objection.

22          THE WITNESS: I would. I'm not sure where it  
23       would be memorialized, whether in a combination  
24       of the customer file or TPS or both.

1 BY MR. NOVAK:

2 Q. Okay. So the information or the due  
3 diligence would be contained in the TPS files as well  
4 as the customer files?

5 A. Yes.

6 MR. MATTHEWS: Objection.

7 MR. NOVAK: Okay. Let's take a quick break,  
8 and then I'm going to move on to another batch of  
9 documents.

10 THE VIDEOGRAPHER: The time is 2:58. We are  
11 off the record.

12 (Recess from 2:58 until 3:15 p.m.)

13 THE VIDEOGRAPHER: The time is 3:15 p.m. We  
14 are now back on the record.

15 BY MR. NOVAK:

16 Q. Mr. Cochrane, are you aware of any instances  
17 where Anda shipped what it identified as suspicious  
18 orders into either Summit or Cuyahoga Counties?

19 A. Yes, I am.

20 Q. And what examples are you aware of?

21 A. Examples prior to 2007 -- to the 2007 DEA  
22 meeting when we were submitting suspicious excessive  
23 reports to the DEA on a weekly or monthly basis,  
24 there were some transactions on some of those

1 reports.

2 Q. Okay. Would one of those transactions have  
3 been for New Choice Pharmacy?

4 A. Yes, it would.

5 Q. What were the circumstances under which Anda  
6 decided to ship a transaction for New Choice Pharmacy  
7 that it had identified as suspicious?

8 MR. MATTHEWS: Objection.

9 THE WITNESS: It was captured on a report of  
10 suspicious orders for -- for a weekly time period  
11 related to fentanyl patches.

12 BY MR. NOVAK:

13 Q. Okay. The fentanyl patches that were ordered  
14 by New Choice exceeded a number that would have  
15 identified the order as suspicious under the criteria  
16 being utilized by Anda prior to the summer of 2007?

17 A. Correct. I believe the threshold for patches  
18 was ten patches.

19 Q. Okay. Are you aware of -- after the change  
20 in handling controlled substances that arose out of  
21 Anda's meeting with the DEA in 2007, are you aware of  
22 whether New Choice purchased controlled substances in  
23 an amount that exceeded the 5,000 unit per family  
24 threshold?

1 A. No, I'm not.

2 Q. Do you know if adjustments were made for New  
3 Choice that would enable them to purchase controlled  
4 substances in an amount greater than 5,000 units per  
5 controlled substance family per month after --

6 A. No, I'm not.

7 Q. -- after the summer of 2007?

8 A. No, I'm not.

9 Q. Are you aware of whether Anda at one point  
10 terminated controlled substance authorization to New  
11 Choice?

12 A. Yes, we did.

13 Q. What was the reason that you terminated them?

14 A. Their termination was part of a review of  
15 customers that was performed in the summer or fall of  
16 2007.

17 Q. And what was the factor associated with --  
18 hold on.

19 Well, let me -- let me start with a different  
20 question.

21 The review of customers that was performed in  
22 the summer or fall of 2007, was that associated with  
23 your implementation of the restrictions that Anda had  
24 committed to with the DEA?

1 MR. MATTHEWS: Objection.

2 THE WITNESS: Yes, it would have been.

3 BY MR. NOVAK:

4 Q. What was it about New Choice that was -- that  
5 would have made them ineligible to purchase controls  
6 based upon the restrictions that Anda had committed  
7 to with the DEA?

8 MR. MATTHEWS: Objection.

9 THE WITNESS: I'm not sure of the specifics  
10 or what the final reason was to cut them off, but  
11 the compliance department made that decision as  
12 part of their evaluation.

13 BY MR. NOVAK:

14 Q. Okay. For preparing for this deposition, did  
15 you review any of the TPS entries for New Choice?

16 A. I reviewed their last ship date, and I  
17 reviewed their location.

18 Q. And their last ship date was when?

19 A. It was in 2007.

20 Q. December of 2007?

21 A. It might -- it may have been. It was the  
22 second half of 2007. It was after the changes were  
23 implemented.

24 Q. The report that was submitted to DEA as it

1 related to a suspicious order for New Choice, do you  
2 know when that was submitted to the DEA?

3 A. It was early 2007.

4 Q. In what form would it have been submitted?

5 A. Excel.

6 Q. Now, after the New Choice suspicious order  
7 report and the termination of -- of the method of  
8 reporting that Anda had periodically done in roughly  
9 August of 2007, when was the next suspicious order  
10 report that was submitted to the DEA?

11 MR. MATTHEWS: Objection.

12 THE WITNESS: After the changes in 2007 where  
13 we had specific limits of 5,000 dosage units,  
14 we -- we did not submit any more of those  
15 suspicious reports.

16 BY MR. NOVAK:

17 Q. Okay. I'll ask the question a little  
18 differently.

19 Do you have an understanding as to the next  
20 time Anda actually reported an order as being  
21 suspicious to the DEA?

22 A. There were customers and specific orders that  
23 were reported to DEA in August of 2007.

24 Q. Subsequent to August of 2007, when was the

1 next time that Anda reported a suspicious order to  
2 the DEA?

3 A. We were continuously reporting customers that  
4 we denied to do business with or customers that we  
5 ceased doing business with as they arose.

6 Q. Do you understand -- and let's talk about  
7 terminology for a second.

8 Does Anda have an understanding that  
9 reporting a suspicious order to the DEA is something  
10 different than reporting a suspicious customer?

11 A. Yes, we do.


12 Q. Okay. So my question related not to the  
13 reporting of suspicious customers but the reporting  
14 of suspicious orders.

15 Do you know after August of 2007 when the  
16 next time Anda reported a suspicious order to the  
17 DEA?

18 A. I'm unsure of the specific dates.







4                   (Anda Exhibit 22 was marked for  
5       identification.)

6                   MR. MATTHEWS:   22?

7       BY MR. NOVAK:







5 Q. And what would be the factors leading to Anda  
6 reporting customers that were cut off to the DEA?

7 MR. MATTHEWS: Objection.

8 THE WITNESS: Review of their dispensing  
9 data, a review of their history with Anda, a  
10 review of their questionnaire, whether or not we  
11 had a questionnaire, and other item and customer  
12 attributes.

13 BY MR. NOVAK:

14 Q. Okay. Did -- did the determination to cut  
15 off a customer -- how were -- how did Anda compliance  
16 staff know that that was not based upon a particular  
17 order?

18 MR. MATTHEWS: Objection.

19 THE WITNESS: I'm not sure.

20 BY MR. NOVAK:











5           Q.     Okay.   When was the next suspicious order  
6           that you reported in 2010 or sometime thereafter?

7           A.     At the conclusion of this DEA inspection, we  
8           began open communication with group supervisor  
9           Gayle Lane.   I personally had communication with her  
10          via e-mail and the first iteration of the report that  
11          we were looking at a few minutes ago, and that first  
12          report had orders and customers that we refused to  
13          fill.





6 BY MR. NOVAK:

7 Q. Okay. So you provided reports to the DEA  
8 starting in 2010 that identified suspicious -- or  
9 that identified customers who had been cut off?

10 A. Correct.

11 Q. When was the first time you identified a  
12 suspicious order as such in a report to the DEA?

13 MR. MATTHEWS: Objection.

14 THE WITNESS: It was done in conjunction with  
15 the first iteration of the report of customers  
16 that we cut off.

17 BY MR. NOVAK:





[REDACTED]

2           Q.     Okay. Did Anda, in submitting its report to  
3     DEA, use the words "suspicious order," quote/unquote,  
4     in their characterization of what was being submitted  
5     to the DEA?

6           A.     I don't have the specific e-mail in front of  
7     me. I wouldn't know what the exact writing was.

8           Q.     Okay. I'd like to switch emphasis now to  
9     2010. Was there a point in 2010 -- well, I will get  
10    this marked first.

11                   (Anda Exhibit 23 was marked for  
12    identification.)

13    BY MR. NOVAK:

[REDACTED]

1 Q. Okay. They were a customer of Anda's?

2 A. I don't know that Harvard was a customer of  
3 Anda's. Harvard was a competitor of Anda's.

4 Q. Do you know whether Anda sold OxyContin to  
5 Harvard Drug?

6 A. I'm unaware of any OxyContin being sold to  
7 Harvard Drug.



21 A. That's correct.

22 Q. He was the director of regulatory compliance  
23 at the time he wrote this at Anda?

24 A. That's correct.



11 MR. MATTHEWS: You are asking him in his  
12 personal capacity?

13 MR. NOVAK: No.

14 BY MR. NOVAK:

15 Q. What was Anda's reaction to this suggestion?

16 MR. MATTHEWS: Objection.

17 THE WITNESS: I believe by the end of June we  
18 had ceased selling to pain management clinics and  
19 doctors.

20 BY MR. NOVAK:

21 Q. Was Anda concerned that the same type of  
22 enforcement action that had been brought against  
23 Harvard Drug would be brought by the DEA against  
24 Anda?

1 MR. MATTHEWS: Objection.

2 THE WITNESS: That was a factor. There was  
3 also a move for the State of Florida to disallow  
4 doctors from dispensing meds in the office  
5 setting that I believe took effect later that  
6 fall.

7 So there was already other indicators that  
8 that business was already being looked at for us  
9 to discontinue.

10 BY MR. NOVAK:

11 Q. Now, the determination to cut off particular  
12 accounts that was made in the summer of 2010 included  
13 more than just physicians, did it not?

14 A. It did.

15 Q. Okay. What other types of customers did Anda  
16 decide should be cut off at that time?

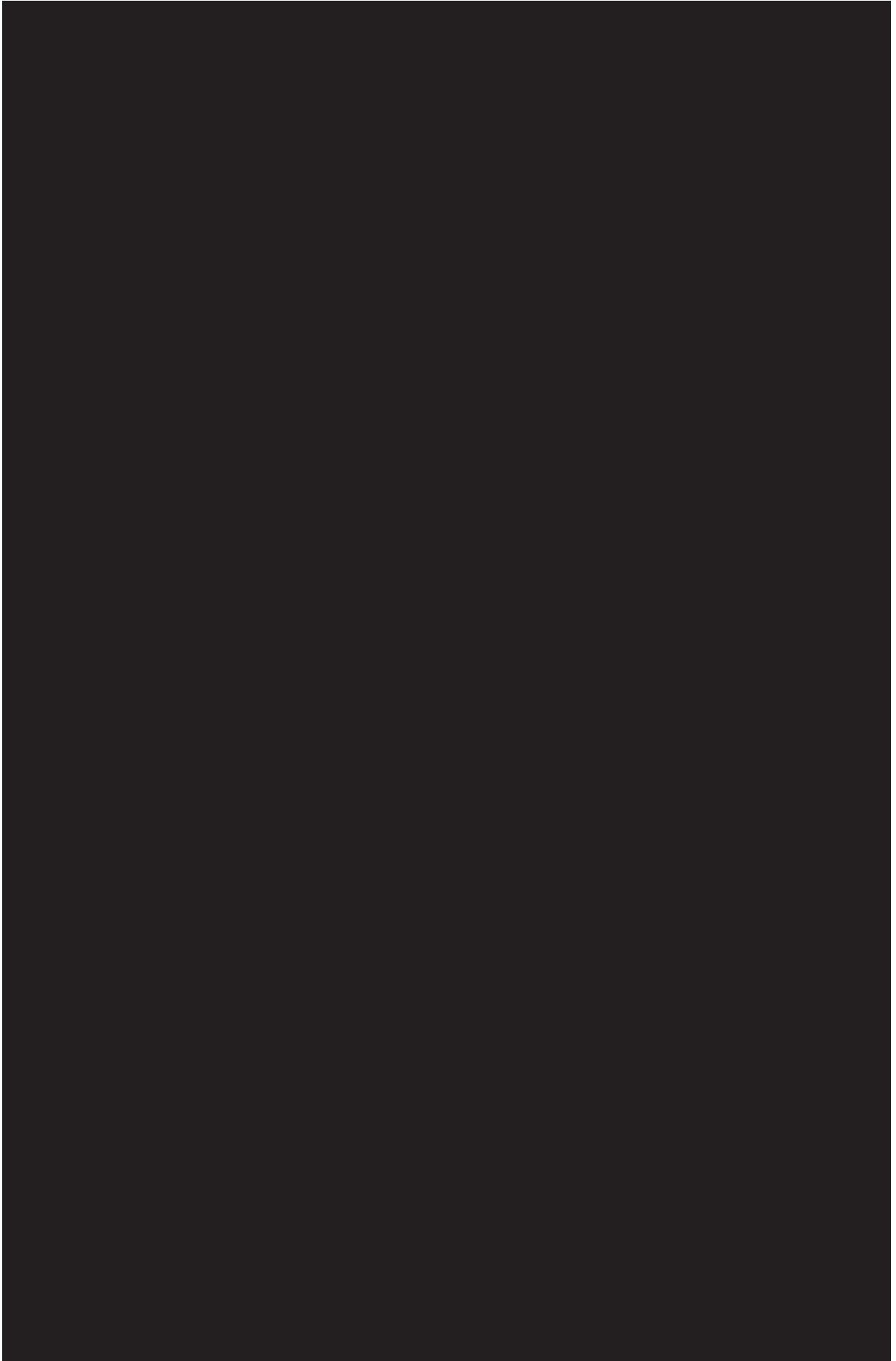
17 A. We also ceased doing business with  
18 wholesalers/distributors and some hospitals as well.

19 (Anda Exhibit 24 was marked for  
20 identification.)

21 BY MR. NOVAK:







2 MR. NOVAK: Bear with me. I'm looking for a  
3 particular document.

4 Can we take a quick five-minute break? I  
5 have to find a document that's escaped me at the  
6 moment.

7 THE VIDEOGRAPHER: Off the record at 3:55.

8 (Recess from 3:55 until 3:58 p.m.)

9 THE VIDEOGRAPHER: The time is 3:58. We are  
10 now back on the record.

11 (Anda Exhibit 25 was marked for  
12 identification.)

13 BY MR. NOVAK:









7           Q.    Okay.  At the time that you were selling to  
8    repackagers, did you have any type of customer  
9    questionnaire or know your customer procedures as it  
10   related to that channel of trade?

11           A.    Yes.  I believe we did have information  
12   related to the repackagers and who they were  
13   repackaging product on behalf of.

14           Q.    Did you have anything that was the equivalent  
15   of dispensing data for repackagers?

16                   MR. MATTHEWS:  Objection.

17                   THE WITNESS:  I'm not sure of that.

18   BY MR. NOVAK:

19           Q.    Okay.  How about for wholesalers?

20                   MR. MATTHEWS:  Objection.

21                   THE WITNESS:  I'm not sure of that either.

22   BY MR. NOVAK:









9 Q. Okay. This is solely for illustrative  
10 purposes? Because I see there's a limit on aspirin.  
11 There wasn't a limit on aspirin in real life at Anda,  
12 was there?

13 A. No.

14 Q. Okay. But the way it would work in TPS is if  
15 you were looking at the control limits for a  
16 particular product and a particular customer, you  
17 would see a column for the product type, and then a  
18 limit, and then there month-to-date purchase, and  
19 that would give the amount that was still available  
20 for them to purchase in the month?

21 A. Yes, but these screens were not visible to  
22 the customer, nor to the rep.

[REDACTED]

3           Q.    Did the sales representative at Anda even  
4           know what control limit was set for a particular  
5           customer for an opiate product at this point in time  
6           in 2010?

7           A.    I don't believe they could see it realtime.  
8           However, if they knew they started with the 5,000  
9           baseline limit and they had interacted with their  
10          customer in compliance to deem an increase  
11          appropriate, they could possibly know what their  
12          customer's limit was.

[REDACTED]



1       2007 through those inspections in the summer of 2010,  
2       had there been any reports submitted by Anda to the  
3       DEA regarding its customers and their eligibility to  
4       purchase controlled substances?

5               MR. MATTHEWS: Objection.

6               THE WITNESS: Not to my knowledge.

7       BY MR. NOVAK:

8               Q.     Okay. So in the summer of 2010, when Anda  
9       began discussing the prospect of submitting reports  
10      to the DEA, were those discussions in the context of  
11      the meetings surrounding the inspection of Anda  
12      facilities?

13              A.     They were after the meetings for the  
14      inspection.

15              Q.     In what time frame approximately?

16              A.     In the days and weeks after.

17              Q.     Okay. Would this have been approximately  
18      August of 2010?

19              A.     Yes.

20              Q.     And at that time, what was communicated by  
21      the DEA to Anda as it related to the submission of  
22      suspicious order monitoring reports?

23              A.     Group supervisor Gayle Lane reached out to us  
24      after the inspection had concluded, and she wanted to



1 open the lines of communication with the local office  
2 because, previous to that and since 2007, our  
3 compliance department had been dealing with  
4 Washington headquarters and not reporting to the  
5 local office and not communicating as much with the  
6 local office.

7 We had frequent phone calls, and we scheduled  
8 an on-site at DEA field office visit.

9 Q. Okay. And in conjunction with that DEA field  
10 office visit, was it communicated by DEA to Anda that  
11 they needed to resume the submission of suspicious  
12 order monitoring reports?

13 A. They were --

14 MR. MATTHEWS: Objection.

15 THE WITNESS: They were quite pleased with  
16 what we were sending them as far as customers  
17 being cut off and customers being denied, and  
18 they asked that that continue.

19 BY MR. NOVAK:

20 Q. Now, in that answer, you indicated that the  
21 DEA was quite pleased with what Anda was sending them  
22 as far as customers being cut off and customers being  
23 denied. This is in the summer of 2010?

24 A. This is August and September of 2010.

1           Q.     Okay.  Now, a moment ago, you testified --  
2     and I'm just going to quote your testimony:  Okay.  
3     From the time period -- this is my question to you:  
4     From the time period of September of 2007 through  
5     those inspections in the summer of 2010, had there  
6     been any reports submitted by Anda to the DEA  
7     regarding its customers and eligibility to purchase  
8     controlled substance.

9           Your counsel objected.

10          And then you said:  Not to my knowledge.

11          If I'm understanding that testimony  
12     correctly, there were no reports submitted to the DEA  
13     up through the summer of 2010, were there?

14          MR. MATTHEWS:  Objection.

15          THE WITNESS:  There were no reports up until  
16     the communication lines reopened after the  
17     inspection we had in the summer in 2010.  With  
18     specificity, it was July of 2010 that we had the  
19     inspection.  It was after that inspection in  
20     August and September that we began sending them  
21     the detailed spreadsheet of the customers that we  
22     cut off and/or denied.

23     BY MR. NOVAK:

24          Q.     Okay.  So the -- the spreadsheets that you

1       were conveying to DEA that you said they were pleased  
2       with were the ones that began after the July of 2010  
3       inspection?

4             A.     Correct.

5             Q.     Okay. Now, at some point, DEA requested that  
6       you add additional information to your submissions,  
7       correct?

8             A.     I'm not aware of what you are looking at.

9                    (Anda Exhibit 26 was marked for  
10       identification.)

11       BY MR. NOVAK:







9 Q. Okay.

10 (Anda Exhibit 27 was marked for  
11 identification.)

12 BY MR. NOVAK:





11                   MR. MATTHEWS: I'll put in place here my  
12                   standard objection to the use of spreadsheets  
13                   that are not produced in physical form at the  
14                   deposition and so can't be marked as exhibits.  
15                   And subject to our agreement to work this out at  
16                   a later time for all of these, I will assume you  
17                   are going to go forward, right?

18                   MR. NOVAK: Yes. I, also, by the way,  
19                   checked. There are picture and picture video  
20                   that will actually present the portions of the  
21                   spreadsheet that we are reviewing in realtime  
22                   during the deposition transcript as it plays.

23                   MR. MATTHEWS: Okay. That's a start.

24                   MR. NOVAK: Yes.

1 BY MR. NOVAK:





21 All right. That's all I have for 27.

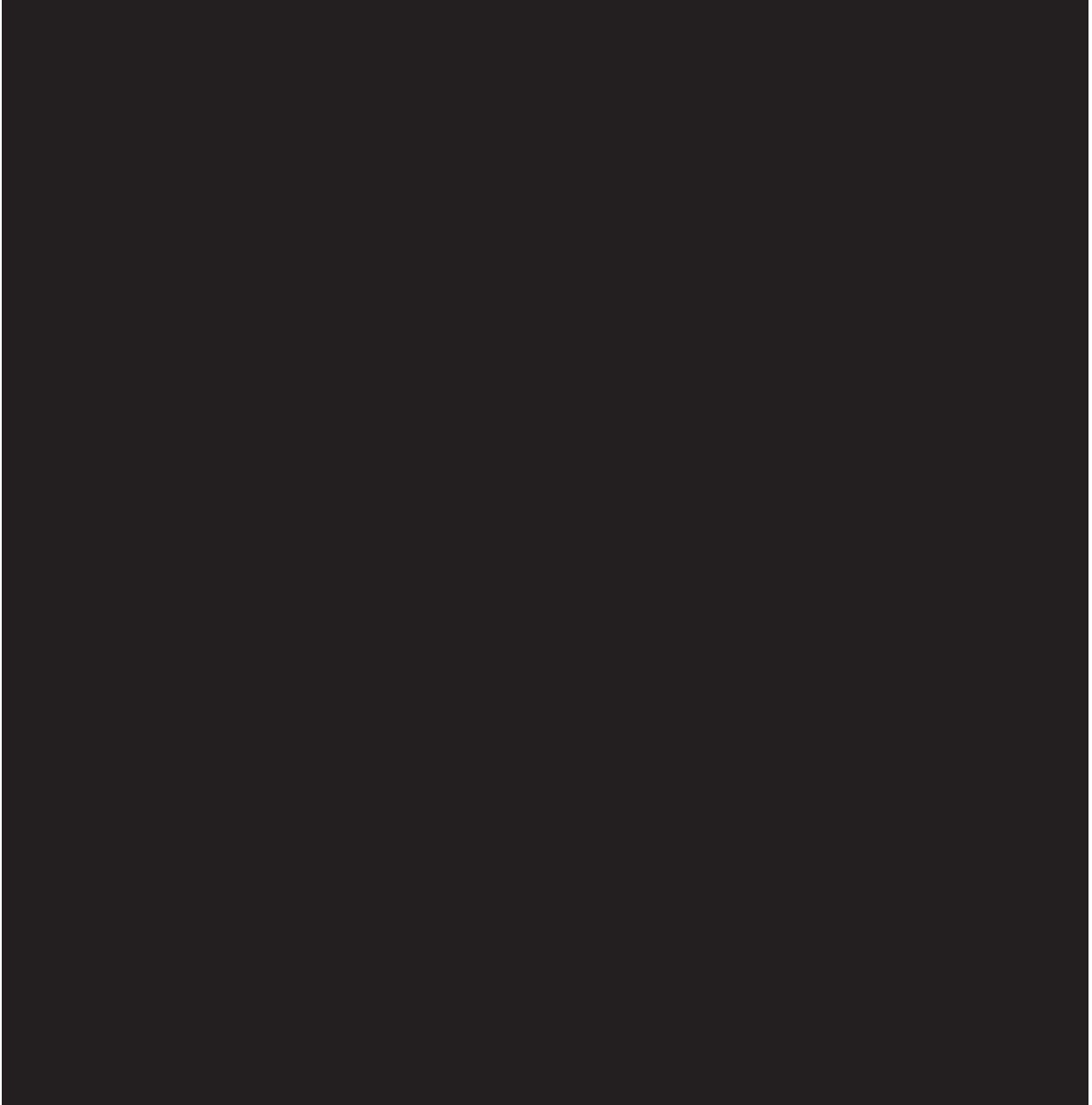
22 (Anda Exhibit 28 was marked for

23 identification.)

24 ///



1 BY MR. NOVAK:



18 Q. Was he responsible for communications with  
19 the DEA as it related to any controlled substance  
20 distribution questions that emanated from the  
21 Groveport, Ohio, distribution center?

22 MR. MATTHEWS: Objection.

23 THE WITNESS: Ultimately, he was the highest  
24 ranking person at the site and literally the

1 first office inside the door. So if the DEA  
2 served them with questions or came in for an  
3 inspection, he fielded the inspections.

4 There was also a DEA compliance manager there  
5 by the name of Debra Mooney that oversaw the  
6 operations of the cages involved.

7 BY MR. NOVAK:







6 (Anda Exhibit 29 was marked for

7 identification.)

8 BY MR. NOVAK:









15 MR. NOVAK: Why don't we take a break.

16 THE VIDEOGRAPHER: 4:45 p.m. We are going  
17 off the record.

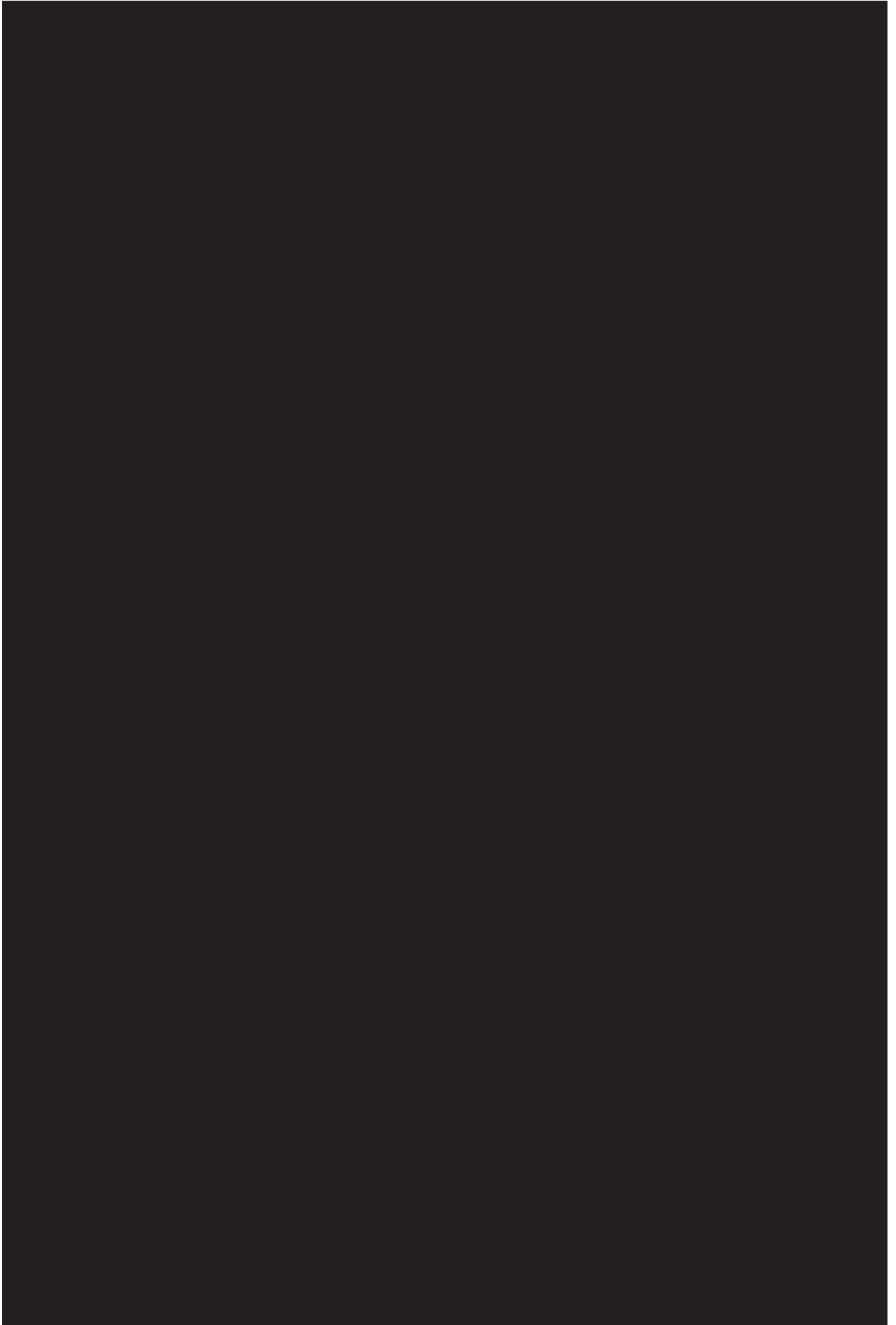
18 (Recess from 4:45 until 5:09 p.m.)

19 THE VIDEOGRAPHER: The time is 5:09 p.m. We  
20 are now back on the record.

21 (Anda Exhibit 30 was marked for  
22 identification.)

23 BY MR. NOVAK:









8           A.     I do.

9                   MR. MATTHEWS:  Objection.

10                  THE WITNESS:  But can you expand it,  
11                  possibly, enlarge it, and maybe show the column  
12                  headings?  I think some of those filters are  
13                  blocking what those field descriptions are.

14       BY MR. NOVAK:

15                Q.     And I'm with you on expanding the size of it.  
16                That's why I try to use electronic exhibits to begin  
17                with.

18                A.     It's only in the last year, but okay.

19                Q.     I feel your pain.





9           Q.    Okay.  Does the TPS database include not only  
10       the customer's current control approval status, but  
11       does it include information as to the history of the  
12       customer's status in terms of when it has changed  
13       from eligible for controls to noneligible?

14           A.    Not within those fields, no.



[REDACTED]

2 Q. Okay. And as to whether a query could  
3 provide the full control eligibility status over  
4 time, do you know one way or another whether it  
5 could?

6 A. I don't know that those fields and the files  
7 that those fields relate to have history.

8 Q. Right.

9 Are -- I'll ask a different question.

10 Are there fields within the TPS system that  
11 provide information of historically the different  
12 control eligibility statuses that each particular  
13 customer has over time?

14 A. No. As far as I know, those fields are the  
15 current status.

[REDACTED]





























18           Q.     Okay. That is a good question.

19                     Do you know if chains are treated as a  
20     separate class of trade when an individual pharmacy  
21     location is being evaluated on a controlled substance  
22     order than an independent retail pharmacy?

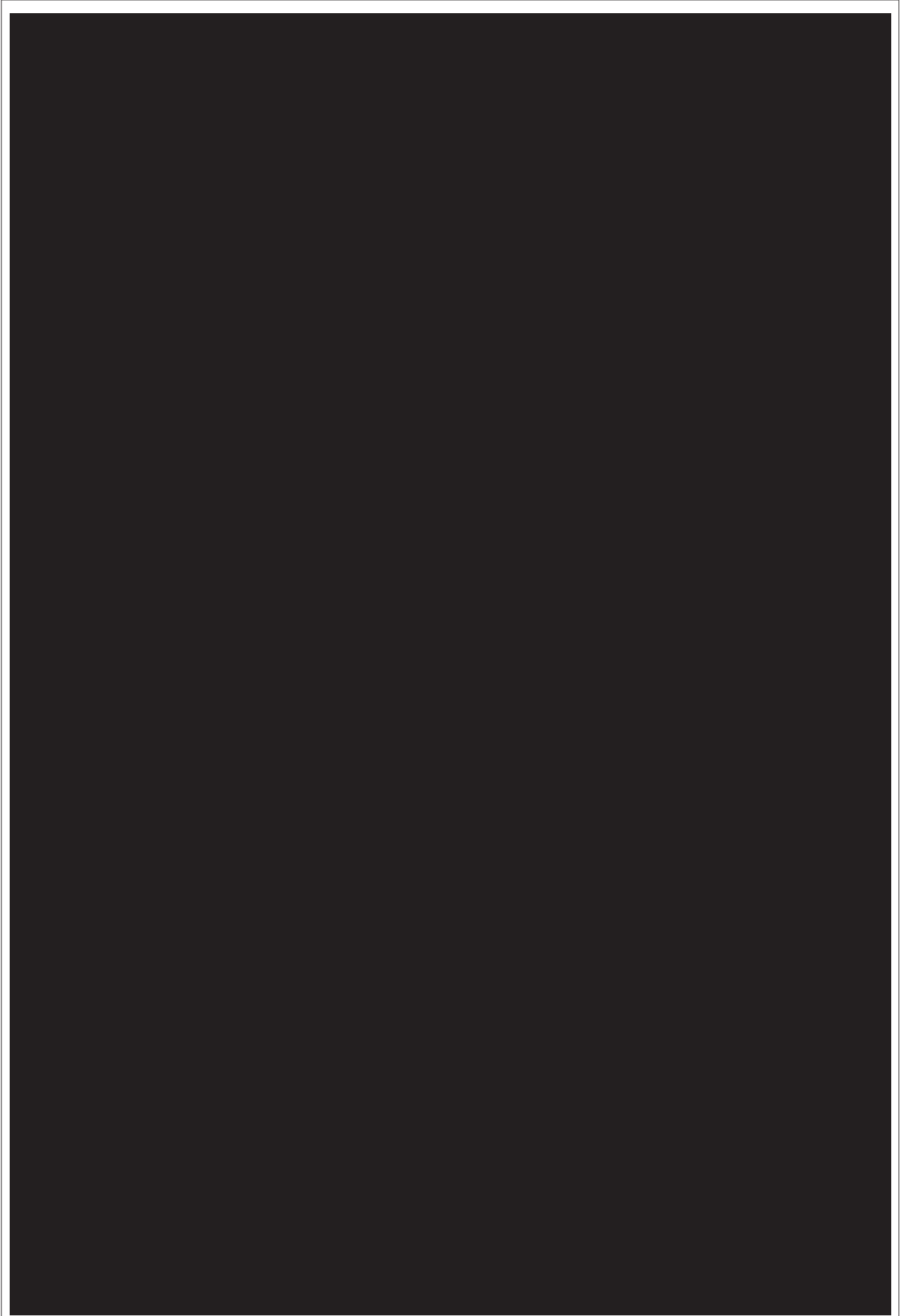
23           A.     They could be classified as a different class  
24     of trade. I'm not sure if there are differences in

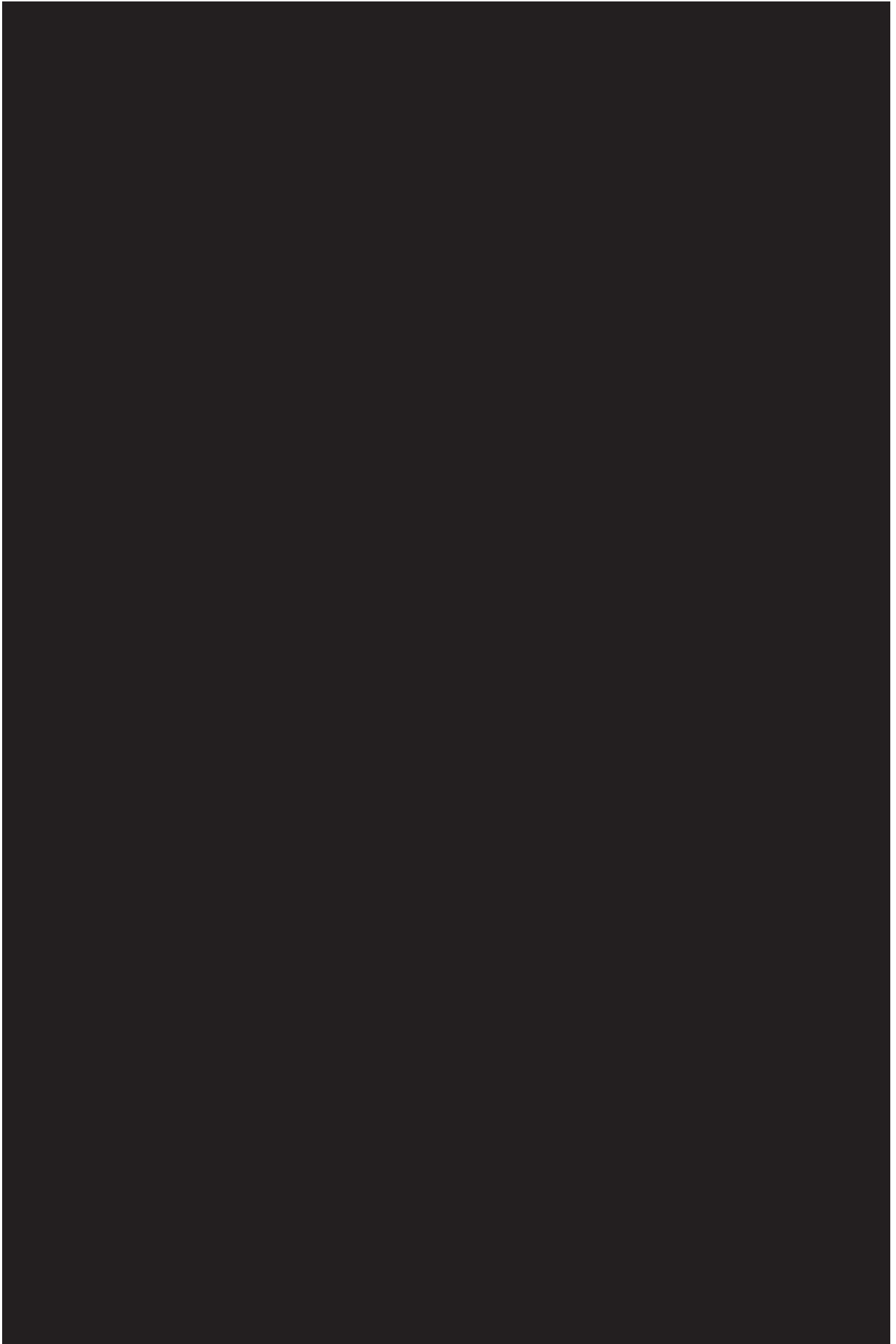
1 the parameters for which -- one pharmacy versus the  
2 other.

3 Q. Sitting here today, do you know one way or  
4 the other whether a chain pharmacy has a different  
5 class of trade for purposes of applying the  
6 suspicious order monitoring system than an  
7 individual -- an independent retail pharmacy?

8 A. No, I do not.









1 BY MR. NOVAK:

2 Q. Okay. That's all I have as to that exhibit.

3 MR. NOVAK: Take a quick break.

4 THE VIDEOGRAPHER: The time is 5:46. We're  
5 off the record.

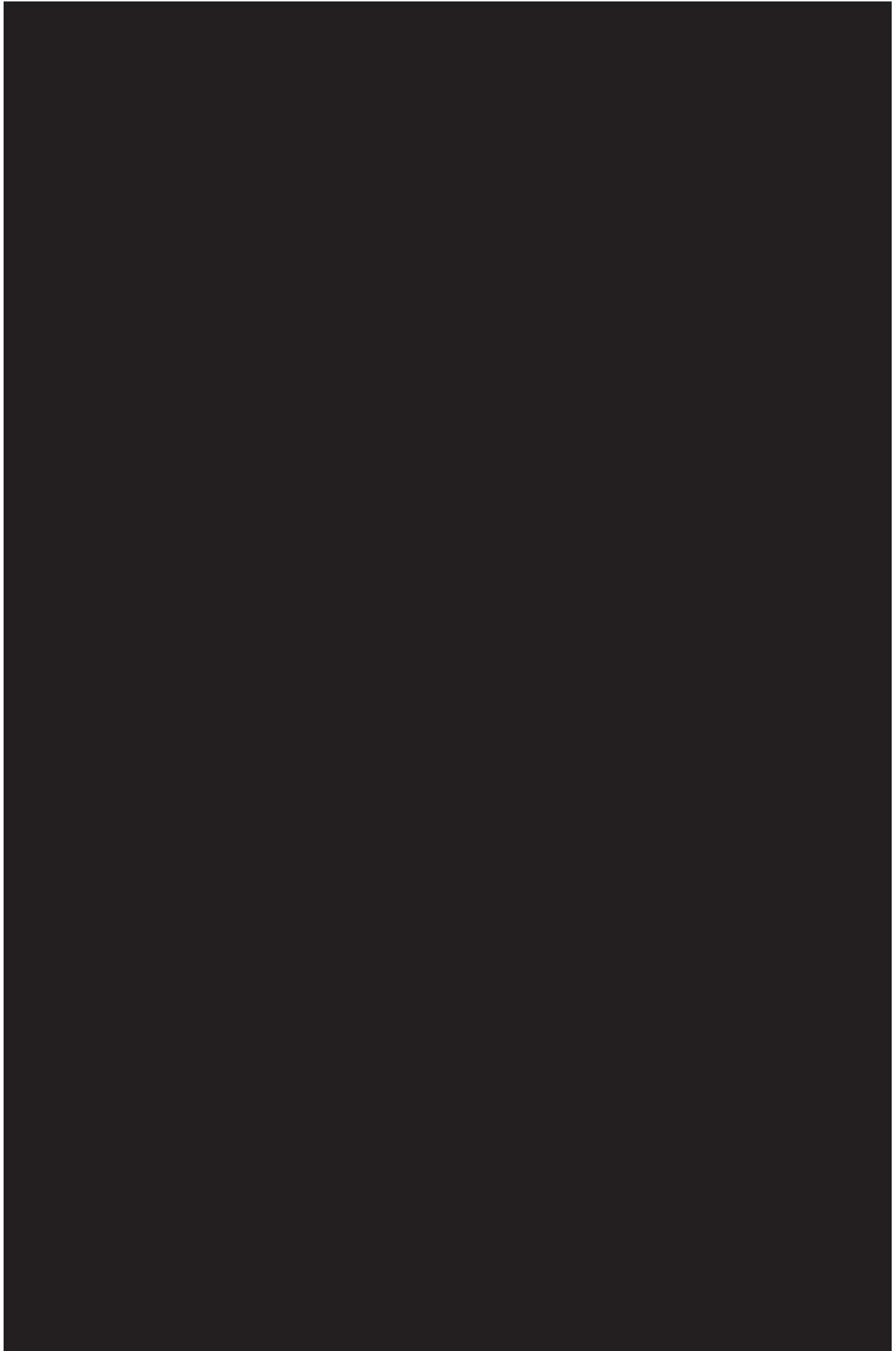
6 (Recess from 5:46 until 5:58 p.m.)

7 THE VIDEOGRAPHER: The time is 5:58. We are  
8 now back on the record.

9 BY MR. NOVAK:

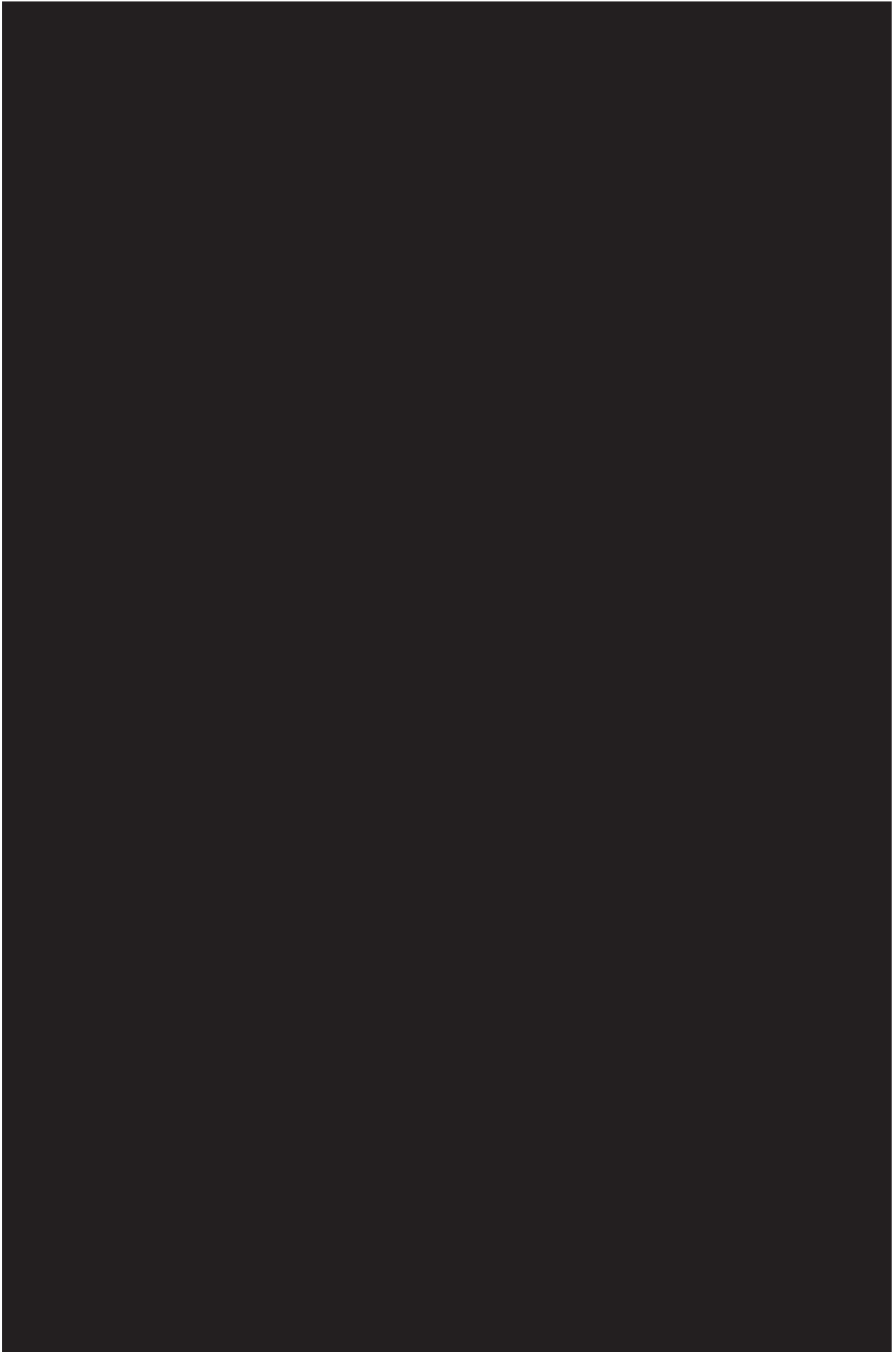




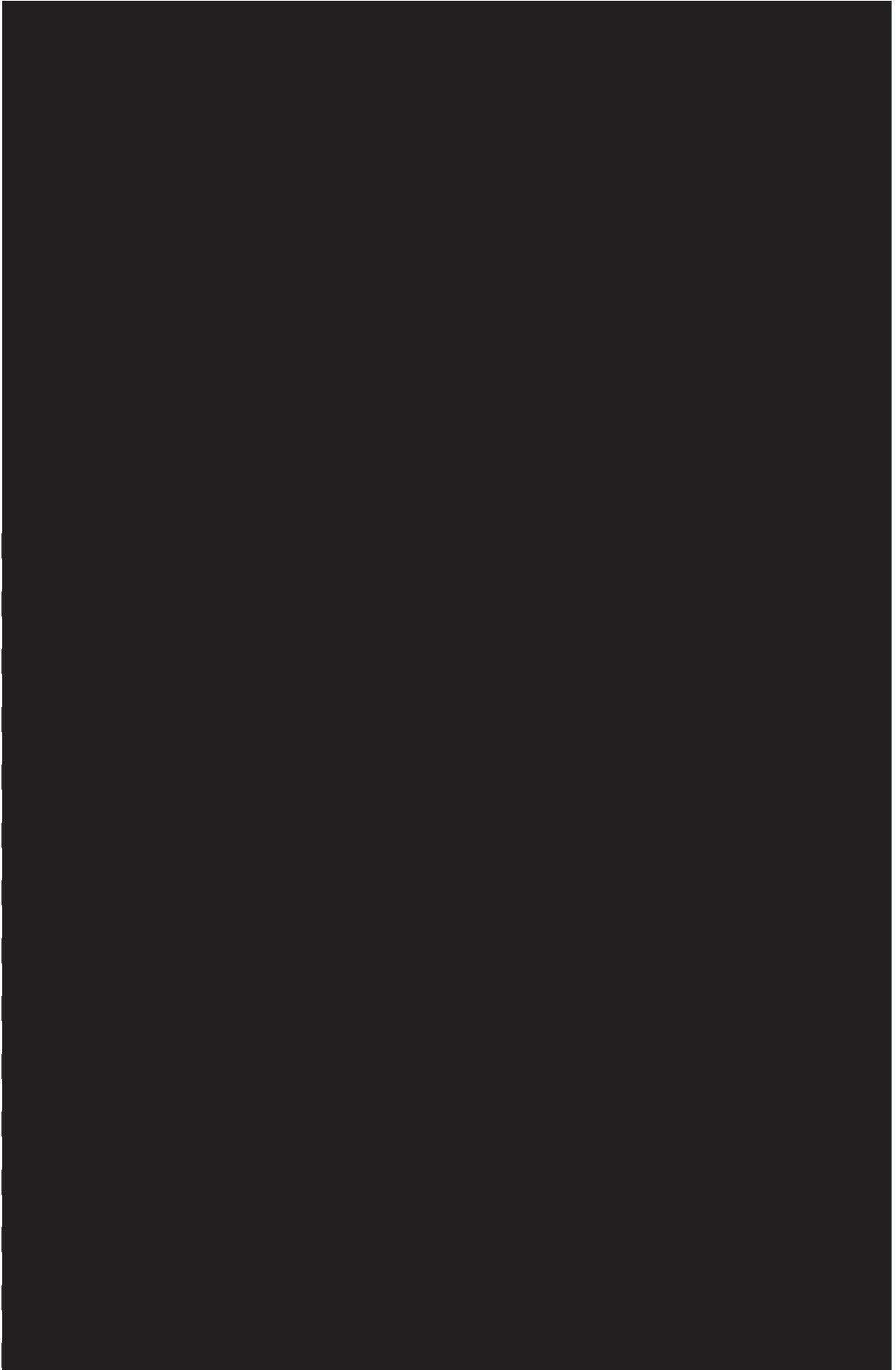


























22                   MR. MATTHEWS: I think that's it. I think  
23                   you are over your time.

24                   MR. NOVAK: I just have one last question.

1 MR. MATTHEWS: You are over your time.

2 MR. NOVAK: It's not an offensive one.

3 MR. MATTHEWS: I'll give you one more

4 question.

5 BY MR. NOVAK:



12 Q. Okay.

13 THE VIDEOGRAPHER: We're going off the

14 record. The time is 6:23.

15 (Recess from 6:23 until 6:26 p.m.)

16 THE VIDEOGRAPHER: The time is 6:26. We're

17 now back on the record.

18 CROSS-EXAMINATION

19 BY MR. MATTHEWS:

20 Q. Good evening, Mr. Cochrane. I know you know

21 me, but I will introduce myself for the record. I'm

22 James Matthews. I represent Anda this evening, and I

23 have a few questions to just clarify some of the

24 answers you have given over the course of the day.

1                   Is that okay?

2           A.     That's fine.

3           Q.     I know that you have been here for a very  
4     long time. I believe we began at 9:00 a.m. and it is  
5     now 6:30 -- or 6:26 p.m.

6           A.     Correct.

7           Q.     So we'll try to get through this as quickly  
8     as we can, and we appreciate the time you have given  
9     us.

10                   Way back at the beginning of the day,  
11     Mr. Novak asked you some questions about  
12     conversations that you had or that you participated  
13     in with Tracey Hernandez of Watson and some  
14     individuals at DEA in the summer of 2007.

15                   Do you remember that line of questioning?

16           A.     Yes, I do.

17                   (Anda Exhibit 32 was marked for  
18     identification.)

19     BY MR. MATTHEWS:

20           Q.     I'm going to hand you what's been marked by  
21     the court reporter as Exhibit 32 for identification.

22                   I will ask you to take a look at that and  
23     tell me if you know what that is.

24                   ATTORNEY VIA TELEPHONE: Excuse me, could you

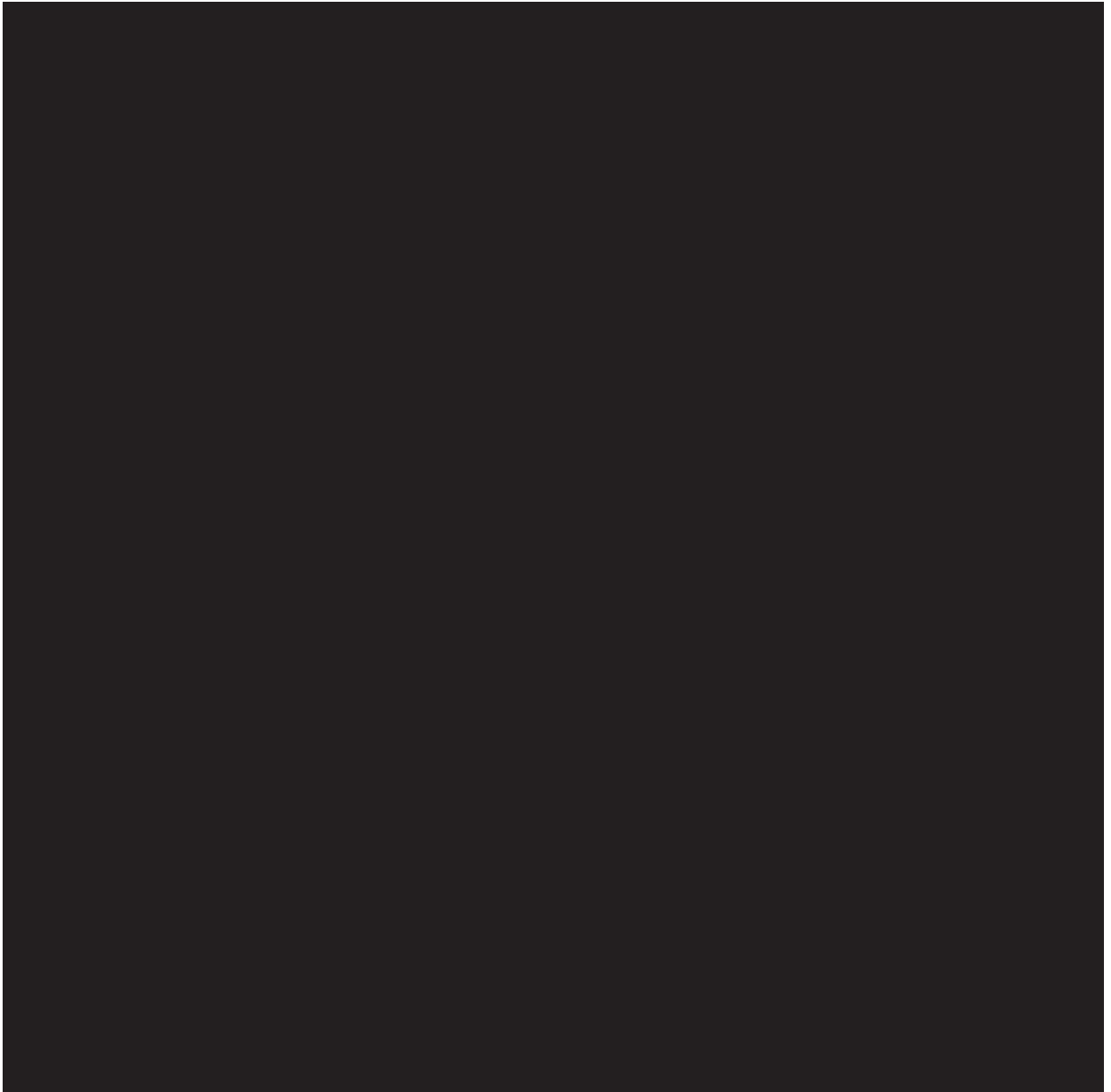
1           please provide the Bates numbers for that  
2           document.

3                   MR. MATTHEWS:   Anda\_Opiods\_MDL 275627.

4                   THE WITNESS:   Yes, I'm familiar with this.

5   BY MR. MATTHEWS:





17           Q.    Okay.  Was there any discussion about Anda's  
18   reporting practices on that phone call?

19           A.    Yes, there was.

20           Q.    What was that discussion about?

21           A.    They were talking about receiving  
22   consolidated data in an ARCOS format at a more  
23   frequent interval than what was previously being  
24   provided.

1 Q. Was there discussion about where that data  
2 should be provided?

3 A. Directly to Washington, directly to the  
4 gentleman that we were working with, Mike Mapes, and  
5 I believe Kyle Wright was involved as well.

6 Q. What kind of data was discussed?

7 A. Transactional data of Anda shipments.

8 Q. Was there anything in addition to simply  
9 transactional data?

10 A. I don't -- I'm not sure.

11 Q. Okay. Do you recall at one point in the  
12 morning Mr. Novak asked you a series of questions  
13 about how and when customer questionnaires were used  
14 by Anda in connection with its suspicious order  
15 monitoring system.

16 Do you remember those questions?

17 A. Yeah.

18 Q. I'm going to hand you what's been marked for  
19 identification as Exhibit 33, which is document  
20 bearing Bates numbers Anda\_Opioid\_MDL\_275445 through  
21 275455.

22 (Anda Exhibit 33 was marked for  
23 identification.)

24 ///

1 BY MR. MATTHEWS:











6           Q.     Mr. Cochrane, to whom was this mailing sent  
7     on or about August 10th, 2007?

8           A.     Pharmacy customers of Anda.

9           Q.     Okay. And what kind of pharmacy customers?

10          A.     All of the independent pharmacies and the one  
11     serviced by the pharmacy floor.

12          Q.     Did that include everyone whether or not they  
13     purchased controls?

14          A.     It did.

15          Q.     So as of August 10th, 2007, is it fair to say  
16     that Anda had sent customer questionnaires to all of  
17     its -- controlled substance customer questionnaires  
18     to all of its independent pharmacy customers?

19          A.     Yes, it did.

20          Q.     And was it the case that from that point  
21     forward it was the policy and procedure of the  
22     company to send questionnaires to customers who  
23     sought to obtain controlled substances from Anda?

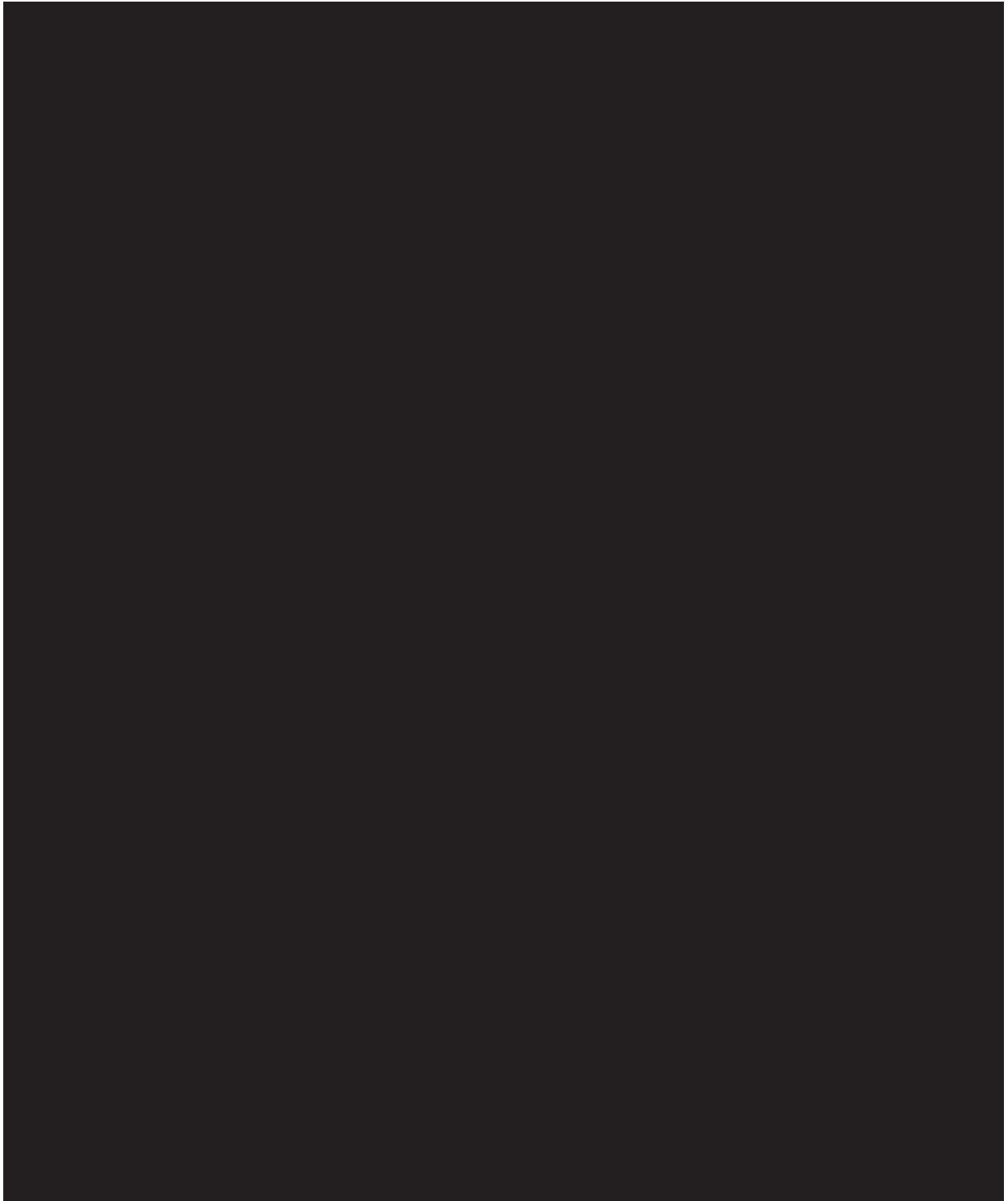
24          A.     Yes. The questionnaire was a vehicle for us

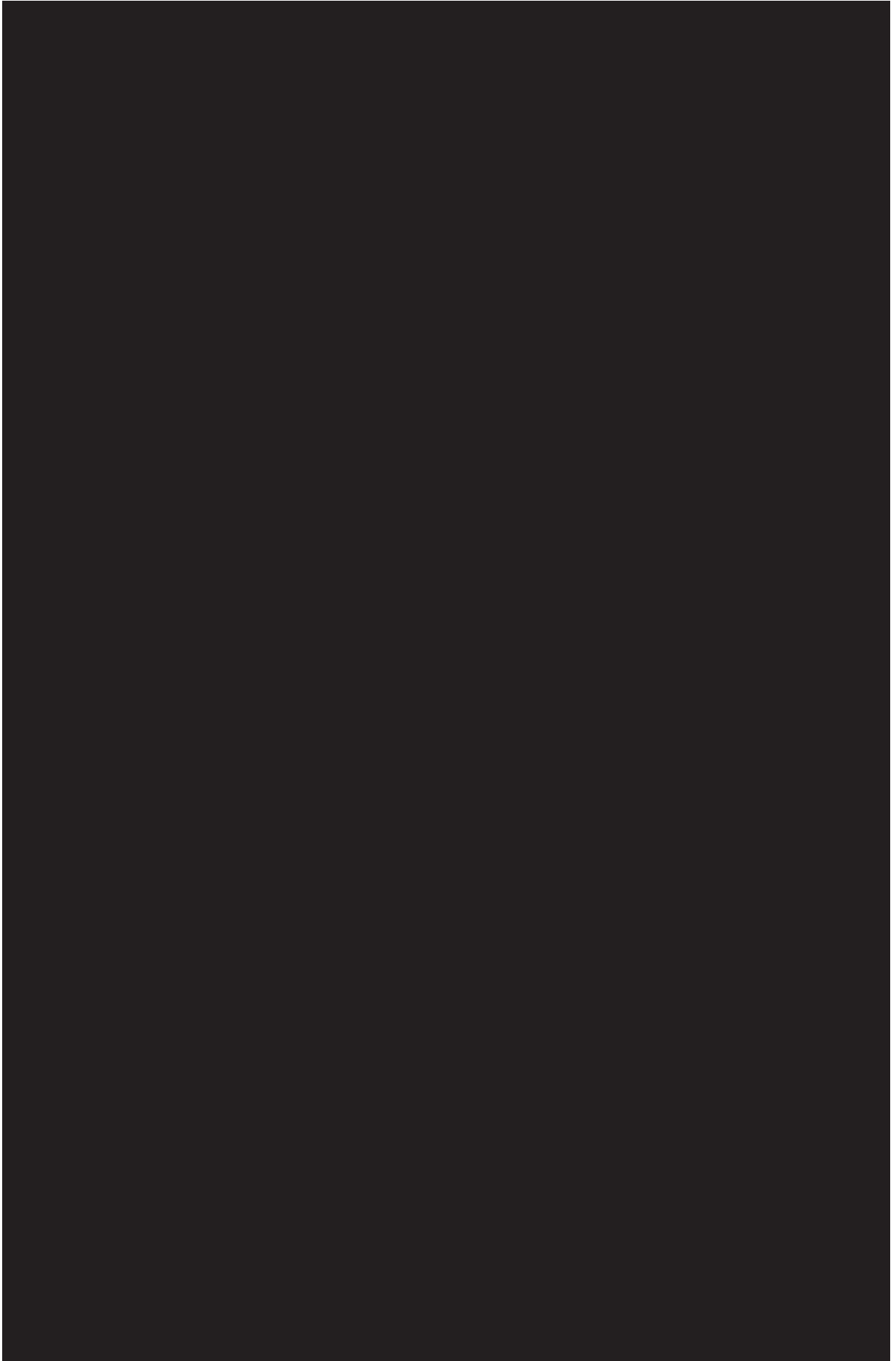
1 to get information about the pharmacy.

2 Q. I'd like you, if you could, to turn back to  
3 Exhibit 3, which Mr. Novak showed you earlier today.

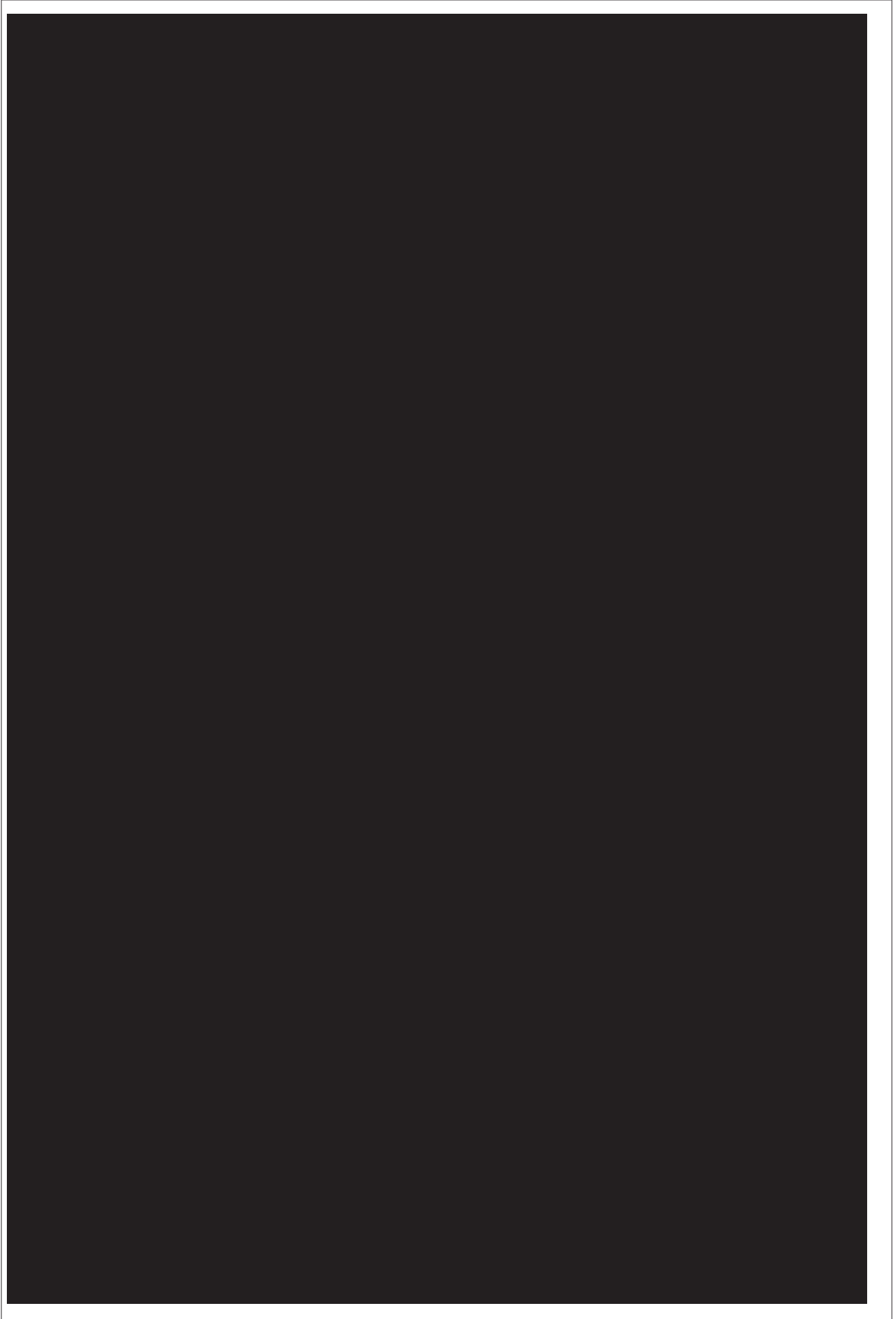
4 A. Okay.

5 Q. I'll withdraw that. I'm sorry.













16           Q.    By 2011, what information about every  
17           customer to whom Anda sold controlled substances had  
18           Anda obtained without regard to whether a customer  
19           had been with it for a long period of time?

20                   MR. NOVAK:  Objection.

21                   THE WITNESS:  At that point, by 2011, there  
22           was a large return of customer questionnaires by  
23           our customer base.  And as, you know, some of the  
24           notes had shown, there were customers that had

1 control eligibility removed and had references to  
2 no questionnaire on file or request for DD and  
3 CQ.

4 BY MR. MATTHEWS:

5 Q. Right.

6 And when was it that the first request to all  
7 existing customers went out to provide answers to  
8 customer questionnaire?

9 A. August of 2007.

10 Q. How many years before the standard operating  
11 procedure was adopted?

12 A. Over four.

13 Q. Thank you.

14 If you could, could you look at Exhibit 23.

15 A. Okay.





7           Q.    Could you explain, what information did you  
8           have from DEA at that time, if any, that DEA was  
9           considering bringing an enforcement action against  
10          Anda?

11          A.    At that time, we did not have any.

12          Q.    So when you told Mr. Novak that there was  
13          concern, what did you -- what did you mean by that?

14          A.    We were evaluating the channels in which we  
15          were shipping drugs into.

16          Q.    Right.

17                   Was there any basis for you to believe at  
18          that time that Anda would -- was under investigation  
19          for the kind of conduct that Harvard was found to  
20          have been subject to an enforcement action for?

21                   MR. NOVAK:  Objection.

22                   THE WITNESS:  No, there was not.

23          BY MR. MATTHEWS:

24          Q.    I wanted to just ask you a question or two

1       about Remedy Senior Care, the pharmacy in Ohio that  
2       Mr. Novak asked you about towards the end of his  
3       examination.

4               Do you recall those questions?

5       A.     I do.



13       Q.     And you told Mr. Novak at that time that you  
14       had -- that Anda had quite a lot of information about  
15       Remedy Senior Care.

16               Do you recall that?

17       A.     I do.

18       Q.     Could you explain what information Anda had  
19       had about Remedy Senior Care at the time that the  
20       decisions were made to ship products to Remedy?

21               MR. NOVAK:  Objection.

22               THE WITNESS:  Yes.  So Remedy Senior Care is  
23       a large customer of Anda's.  They primarily  
24       service the elderly in a closed-door pharmacy

1 type network where they service nursing homes and  
2 facilities.

3 The specific location in Ohio services over  
4 13,000 beds, so they have a very large pharmacy  
5 operation taking care of those elderly patients.

6 BY MR. MATTHEWS:

7 Q. What is a close-door pharmacy?

8 A. It's a pharmacy that only dispenses within  
9 the confines of their business. So they don't  
10 service off-the-street patients.

11 Q. And what's the significance of the fact that  
12 it is a 13,000 bed long-term care center for the  
13 elderly in terms of evaluating appropriateness for  
14 sales of controlled substances?

15 A. There are certain types of products that are  
16 used with great frequency in long-term care assisted  
17 live type facilities, mainly due to the age and the  
18 nature of the patients that they are serving.

19 Q. And what -- what kinds of products would you  
20 normally expect to see dispensed in those  
21 environments?

22 A. It's -- it's a cornucopia of everything. You  
23 know, you will have all of your heart medications,  
24 you'll have your breathing treatment medications, you

1 will have your pain meds. There's a lot of  
2 everything. High blood pressure medication,  
3 triglycerides reducers, your Crestors. There's a lot  
4 of drugs.

5 Q. What information about the senior -- sorry --  
6 about Remedy Senior Care of Ohio does Anda --  
7 about -- let me withdraw that and try again.

8 What information about Remedy Senior Care of  
9 Ohio's dispensing practices is maintained by Anda in  
10 its files?

11 A. We have detailed files related to their  
12 purchases and dispensed -- dispensed drugs.

13 Q. Have you reviewed that information?

14 A. Yes.

15 Q. What does it show?

16 A. It shows a --

17 MR. NOVAK: Objection.

18 THE WITNESS: It shows a low overall  
19 percentage of controlled substances. It's very  
20 highly skewed towards maintenance-type drugs.

21 BY MR. MATTHEWS:

22 Q. At the beginning of the day, Mr. Novak asked  
23 you if Anda had an understanding of the -- what was  
24 a, quote, suspicious order.

1 Do you remember that?

2 A. Yes, I do.

3 Q. Do you recall what your answered?

4 A. Yes, I do.

5 Q. What did you answer?

6 A. I answered orders that deviate from the norm.

7 Q. Could you explain that answer a little bit?

8 A. It's -- it's orders that we would hold,  
9 review, and otherwise determine were not for  
10 legitimate purposes.

11 Q. Okay. Now, from time to time, Anda reported  
12 suspicious orders to DEA, right?

13 A. Yes, we did.

14 Q. How did Anda determine what orders to report?

15 A. In the beginning or --

16 Q. From 2011 onward.

17 A. From 2011 onward, it would be based on the  
18 reviews that we did of individual orders that were  
19 held or pended within one of our two systems that we  
20 were using. And if a thorough review of that order  
21 and customer and any other information that we had  
22 deemed it that the possibility for elicited purposes  
23 were going to be applied to that order, we would  
24 report it.

1           Q.     From time to time, did Anda have  
2           conversations with DEA agents in the field and in  
3           Washington, D.C. about what their expectation was in  
4           terms of suspicious order reporting?

5           MR. NOVAK:  Objection.

6           THE WITNESS:  Yes, we did.

7     BY MR. MATTHEWS:

8           Q.     What were those conversations?

9           MR. NOVAK:  Same objection.

10          THE WITNESS:  Chronologically?

11     BY MR. MATTHEWS:

12          Q.     In general, what was the sum and substance of  
13          those conversations?

14          MR. NOVAK:  Objection.

15          THE WITNESS:  In general, they didn't want  
16          too many orders.  We could go back to a time  
17          where the local office was cc'd on every order  
18          that had controlled substance -- substances on it  
19          back to the earlier years when I became employed  
20          at Anda, to them telling us to stop that  
21          practice.

22                 And then we devised a suspicious and  
23          excessive reporting cadence that was happening  
24          that was an after-the-fact system.  And then, you



1 know, in 2007, we had Washington asking us to  
2 send them all of our transactions again,  
3 directly.

4 BY MR. MATTHEWS:

5 Q. Okay. Do you recall that Mr. Novak asked you  
6 some questions about interactions between you and DEA  
7 agent Gayle Lane in the 2010/2011 time period?

8 A. Yes.

9 Q. And those interactions were about the  
10 submission of customer cutoff reports.

11 Do you remember that?

12 A. Among other things, yes.

13 Q. What is your memory of those -- of the  
14 substance of those conversations?

15 A. The conversations started --

16 MR. NOVAK: Objection.

17 THE WITNESS: -- with Gayle wanting to have  
18 more frequent communication between her and Anda  
19 locally. She -- she was appreciative of the  
20 customers that we were advising her of that we  
21 were ceasing to do business with and otherwise  
22 cutting off.

23 She -- she was -- was happy with the format  
24 of the customer cutoff spreadsheet that we had

1           devised and worked with her on a couple of  
2           drafts.

3       BY MR. MATTHEWS:

4           Q.     How frequently did you interact with her  
5           during this period of time?

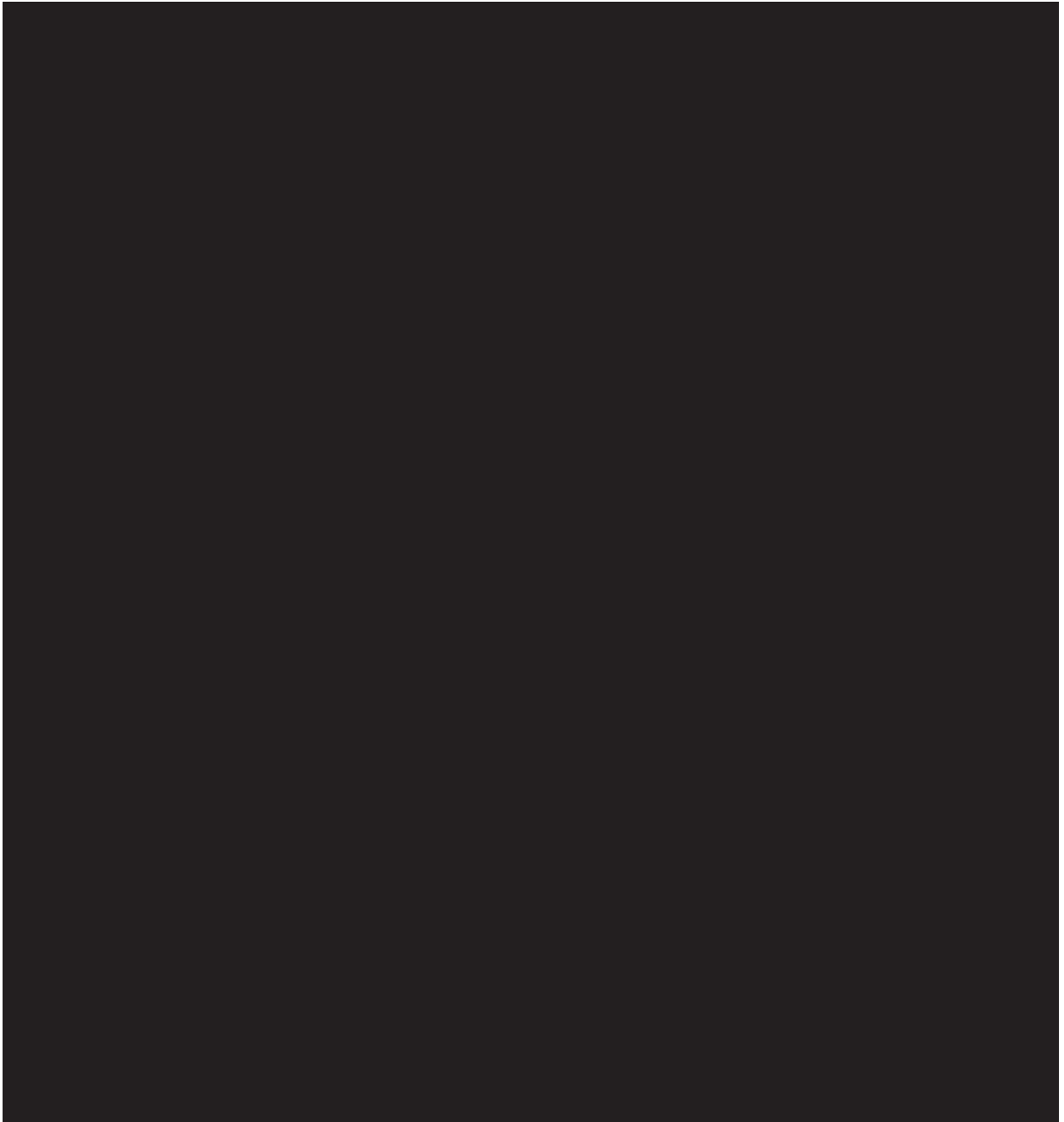
6           A.     Immediately after the inspection, it was a  
7           couple to three times a week, usually in the  
8           evenings. And as we, you know, developed the  
9           spreadsheet and the customer listing of cutoffs, it  
10          became a little less frequent as we went into the  
11          rest of the year, but it was still very regularly.

12          Q.     I would like you to look at Exhibit 26 if you  
13          would.

14          A.     Yes.







18           Q.     Were you ever told to stop submitting reports  
19     of customer cutoffs?

20                     MR. NOVAK:  Objection.

21                     THE WITNESS:  No.

22     BY MR. MATTHEWS:

23           Q.     That was your view of how DEA -- I'll  
24     withdraw that question.

1 MR. MATTHEWS: I don't have any further  
2 questions at this time. Thank you, Mr. Cochrane.

3 THE VIDEOGRAPHER: Going off the record. The  
4 time is 7:06.

5 (Recess from 7:06 until 7:06 p.m.)

6 THE VIDEOGRAPHER: The time is 7:06 p.m. We  
7 are now going off the record. This marks the end  
8 of the deposition.

9 (Whereupon, the deposition concluded at  
10 7:06 p.m.)

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1 C E R T I F I C A T E

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3 I, KELLY J. LAWTON, Registered Professional  
4 Reporter, Licensed Court Reporter, and Certified  
5 Court Reporter, do hereby certify that, pursuant to  
6 notice, the deposition of PATRICK COCHRANE was duly  
7 taken on January 24, 2019, at 9:13 a.m. before me.

8 The said PATRICK COCHRANE was duly sworn by  
9 me according to law to tell the truth, the whole  
10 truth and nothing but the truth and thereupon did  
11 testify as set forth in the above transcript of  
12 testimony. The testimony was taken down  
13 stenographically by me. I do further certify that  
14 the above deposition is full, complete, and a true  
15 record of all the testimony given by the said  
16 witness.

17

18

19 \_\_\_\_\_  
KELLY J. LAWTON, RPR, LCR, CCR

20

21 (The foregoing certification of this  
22 transcript does not apply to any reproduction of the  
23 same by any means, unless under the direct control  
24 and/or supervision of the certifying reporter.)

INSTRUCTIONS TO WITNESS

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Please read your deposition over carefully and make any necessary corrections. You should state the reason in the appropriate space on the errata sheet for any corrections that are made.

After doing so, please sign the errata sheet and date it. It will be attached to your deposition.

It is imperative that you return the original errata sheet to the deposing attorney within thirty (30) days of receipt of the deposition transcript by you. If you fail to do so, the deposition transcript may be deemed to be accurate and may be used in court.

1 - - - - -  
2 E R R A T A  
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4	PAGE	LINE	CHANGE
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ACKNOWLEDGMENT OF DEPONENT

I, PATRICK COCHRANE, do hereby acknowledge  
that I have read the foregoing pages, 1 to 282, and  
that the same is a correct transcription of the  
answers given by me to the questions therein  
propounded, except for the corrections or changes in  
form or substance, if any, noted in the attached  
Errata Sheet.

\_\_\_\_\_  
PATRICK COCHRANE

\_\_\_\_\_  
DATE

Subscribed and sworn to before me this

\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

My Commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

	LAWYER'S NOTES		
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